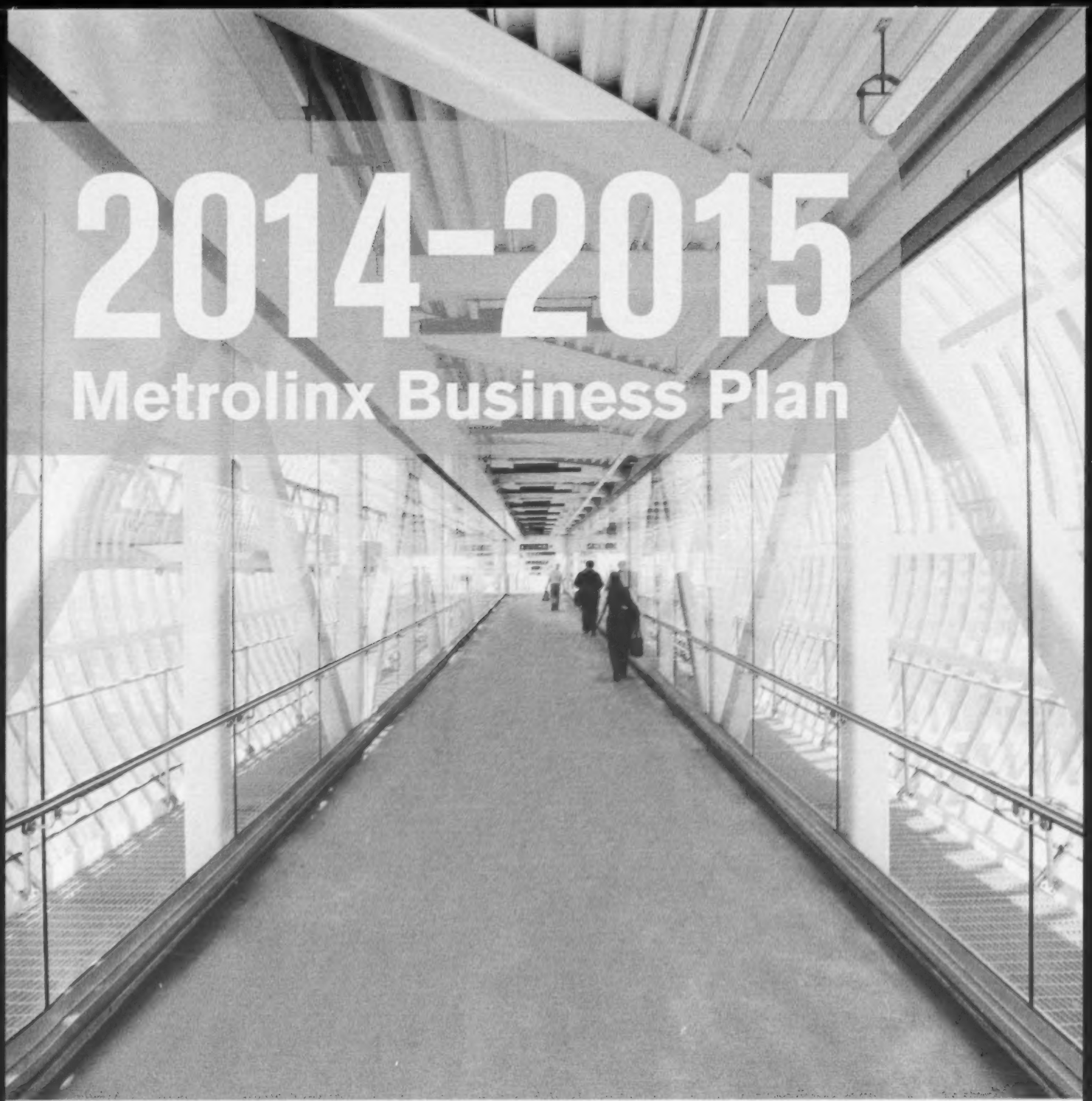


2014–2015
Metrolinx Business Plan

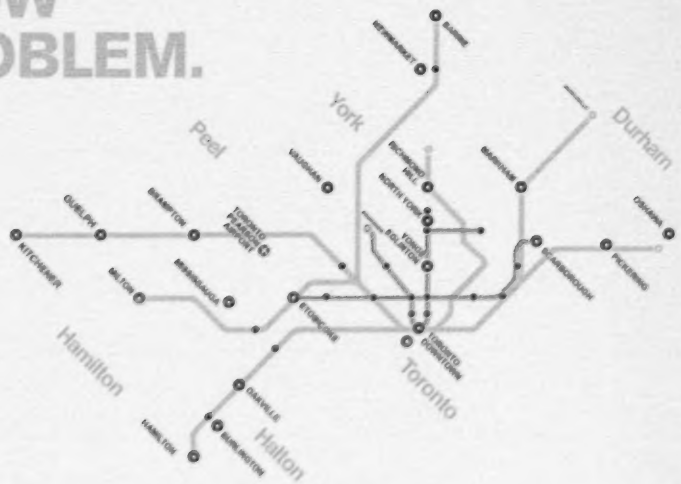
Focus on Delivering

METROLINX
An agency of the Government of Ontario

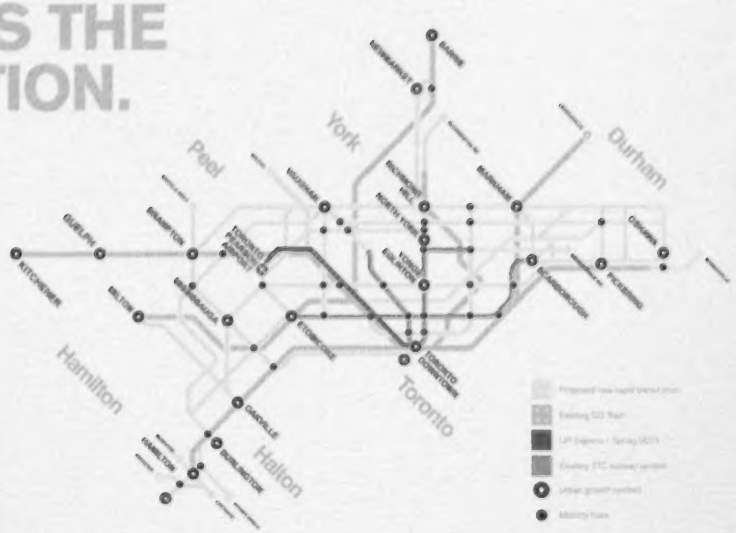
METROLINX

An agency of the Government of Ontario

WE KNOW THE PROBLEM.



HERE'S THE SOLUTION.



We're building transit to get you moving.

metrolinx.com

Table of Contents

Executive Summary

1.0 Introduction 4
- 1.1 Legislative Mandate 4
- 1.2 Organization Profile 4
- 1.3 Metrolinx Quick Facts & Service Highlights 5

2.0 Strategic Direction 7
- 2.1 Vision, Mission and Strategic Priorities 7
- 2.2 Strategic Alignment: The Big Move and Metrolinx 8

3.0 Planned Deliverables: 2014 – 15 8
- 3.1 Direction for 2014-2015 8
- 3.2 GO Transit Highlights 8
- 3.3 PRESTO Fare Card Highlights 10
- 3.4 UP Express Highlights 10
- 3.5 Rapid Transit Implementation Highlights 11
- 3.6 Regional Express Rail 12
- 3.7 Sustainability 13
- 3.8 Other Key Initiatives 14
- 3.9 Detailed Deliverables 2014-15 16

4.0 Business Context 24
- 4.1 Momentum from 2013-14 24
- 4.2 Investment Strategy Update 25
- 4.3 Recent Transit Announcements 26
- 4.4 Federal Funding Opportunities 26
- 4.5 Business Environment Scan 26

5.0 Financial Profile 27
- 5.1 Operating Budget 27
- 5.2 Capital Investments 30
- 5.3 Capital Asset Growth 33
- 5.4 Risk Assessment 34
- 5.5 Performance Measures and Targets 35
- 5.6 Financial performance 35
- 5.7 Project Performance 36

6.0 Focus on Customer Service 37
- 6.1 Customer Service 37
- 6.2 Service Performance 38

7.0 Joint Initiative Deliverables 39

8.0 Human Resources Profile 40

9.0 Information and Information Technology Profile 41

10.0 Communications Plan 42

Appendix A: Key Assumptions 44

Appendix B: 2013-14 Results 46

Executive Summary

Guided by the Metrolinx Five Year Strategy, the Metrolinx 2014-15 Business Plan presents upcoming priorities plus analysis and evaluation of 2013-14 results for all operating divisions. Profiled in this document are the organization and its strategic direction, performance measures, risk assessment, business environment and 2014-15 deliverables. The Appendix summarizes 2013-14 operating results, key statistics and assumptions.

Leveraging expertise in project oversight and public transportation, Metrolinx continues implementing its mandate of providing mobility solutions for the Greater Toronto and Hamilton Area. Key milestones have been met for First Wave projects including the Union Pearson Express (UP Express), Union Station revitalization and Georgetown South. Steady preparation is underway for multiple Next Wave projects. Core transportation infrastructure is among the most beneficial of public infrastructure projects, measurably contributing to economic prosperity.

Operationally, the Metrolinx organization continues its emphasis on managing increasing GO ridership and expanding services. GO Transit ridership (as measured by boardings) grew by 2.0% in 2013-14 and is expected to reach 3.6% growth in 2014-15. Correspondingly, service levels have expanded across both bus and rail modes. The PRESTO fare system implementation on the Toronto Transit Commission (TTC) continues with the Spadina streetcars scheduled to be PRESTO equipped by the end of 2014-15.

With this 2014-15 Business Plan, Metrolinx continues its progress towards successfully implementing *The Big Move* in a fiscally responsible manner, fully considering financial risks such as rising fuel prices and other identified external constraints.

1.0 Introduction

1.1 Legislative Mandate

Metrolinx, an agency of the Government of Ontario under the *Metrolinx Act, 2006*, was created to improve the coordination and integration of all modes of transportation in the Greater Toronto and Hamilton Area. The organization's mission is to champion, develop and implement an integrated transportation system for our region that enhances prosperity, sustainability and quality of life.

1.2 Organization Profile

Metrolinx is responsible for a broad range of activities including: providing regional leadership in transit to guide planning and investment; operating and expanding GO Transit rail and bus services; implementing the PRESTO fare card; delivering UP Express before the Pan/Para Pan Am games in July 2015; and building priority regional rapid transit like the Eglinton Crosstown and Bus Rapid Transit projects.

Metrolinx, through its three operating divisions, GO Transit, UP Express and PRESTO, plus Rapid Transit Implementation, oversees the largest transit capital expansion program in Canada. The organization has built over $11B in capital infrastructure since 2006-07 and rapid growth continues with a capital budget of almost $2.5B this year.

Operationally, Metrolinx expects to transport over 68 million GO Transit passengers this year (as measured by boardings), consisting of over 52 million rail boardings and over 15 million bus boardings. The organization recovers most of its operating costs through ridership and non-fare revenue sources, consistently earning about 80% of what is needed to run the service --one of the best financial performances in the world for transit. Metrolinx values innovation, customer service and safety within its business practices, and strives to deliver high quality services to all clients and stakeholders.

Driven by the Regional Transportation Plan, *The Big Move*, and increasing demand for transit services, Metrolinx is currently responsible for a widening range of activities. The organization has broadened its expertise and will grow to over 3,300 employees by the end of 2014-15.

1.3 Metrolinx Quick Facts & Service Highlights

Metrolinx Quick Facts – Targets for end of 2014-15

GO Train Service:	Totals
Lines	7
Stations	63
Route kilometres	450
Route kilometres owned	366
Weekday train trips	250
Fleet Size (number of train sets)	50
Locomotives	67
Bi-level passenger railcars	623
GO Bus Service:	
Terminals (excl. stops and ticket agents)	15
Route kilometres	2788
Weekday Union Station bus trips	638
Weekday bus trips, total system	2522
Single- level buses	419
Double-decker buses	47
Buses with bike racks	100%
Across GO Transit:	
Parking spaces	73,645
Park and Ride lot spaces	9,500
Parking structures	10
Wind turbines	1
Stations with Carpool Parking	44
Stations with Electric Vehicle Charging	10
Stations with Carshare Services	6
Electric Vehicle Chargers	20
Carpools to GO formed	1,500
Carpool Parking Spaces	435
PRESTO:	
Cumulative cards issued	1,500,000
Transit Service Providers using PRESTO	11
Number of devices	8500 - 9000
2014-15 Revenue from Service Providers	$505M

Metrolinx Quick Facts – Targets for end of 2014-15

Environmental:

Leadership in Energy and Environmental Design Certified Facilities	
Gold	3
Silver	1
Pending	1

Smart Commute:

Employers participating:	330
Commuters participating:	726,604
Active Ride-matching users:	16,504
Carpools Formed:	7,000
Schools participating:	72
School Travel program ROI	2:1
Municipalities on TDM coordinating Committee:	20

Metrolinx Service Highlights

- GO Transit provides integrated transportation that connects the region. Every weekday, 250 train trips travel over 7 lines totalling 450 route kilometers, carrying 227,000 passengers between 63 stations. Complementing the rail service is a bus network that transports 68,400 passengers with 2,522 bus trips each weekday.
- PRESTO is expected to roll out Wave 1 to the TTC starting with the Spadina streetcars and 2 additional subway stations this year. PRESTO expects to issue a cumulative total of 1.5 million cards by March 2015.
- Launching spring 2015, UP Express will provide a comfortable, reliable, 25-minute ride between Toronto's downtown Union Station and Pearson International Airport, leaving every 15 minutes.
- Rapid Transit Implementation (RTI) will open 36 km of Bus Rapid Transit and will tunnel 10 km under Eglinton Avenue to build the Eglinton Crosstown.

2.0 Strategic Direction

2.1 Vision, Mission and Strategic Priorities

The Regional Transportation Plan, *The Big Move*, provides strategic guidance to plan, design and build a regional transportation network that enhances our prosperity, our environment, and our quality of life. Metrolinx annually develops a rolling Five Year Strategy that generates annual deliverables which collectively provide a reference point for measuring progress towards *Big Move* outcomes. This 5-year approach helps us align annual business objectives with a common Vision and Mission. The Metrolinx 2013-18 Five Year Strategy guides the business and resource planning undertaken to develop the 2014-15 Business Plan.

VISION: Working together to transform the way the region moves.

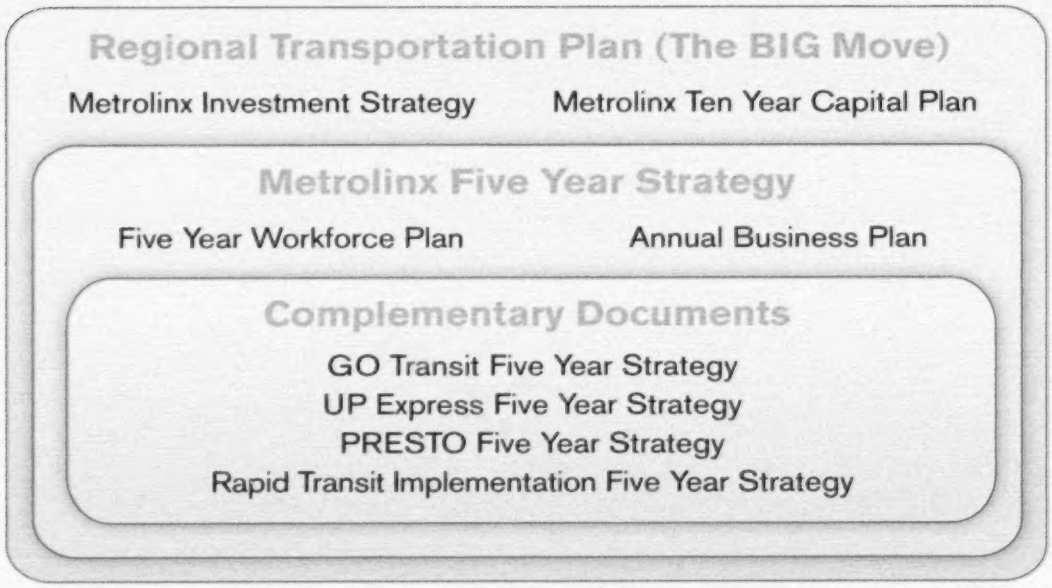
MISSION: To champion and deliver mobility solutions for the

Metrolinx Strategic Priorities 2013-2018

1. Provide regional leadership to enhance mobility options, guided by *The Big Move* stimulating and supporting the activities of partners across the region.
2. Pursue stable funding to support the integrated mobility improvements outlined in *The Big Move*.
3. Implement Priority Regional Transit Infrastructure Projects in *The Big Move* as world-class city-building projects.
4. Operate Metrolinx services in a way that sets the standard in customer service excellence.
5. Ensure that Metrolinx remains a trusted organization with the capacity and flexibility to deliver *The Big Move*.

2.2 Strategic Alignment – The Big Move and Metrolinx

Exhibit 1: Strategic Alignment


Regional Transportation Plan (The BIG Move)
Metrolinx Investment Strategy
Metrolinx Ten Year Capital Plan
Metrolinx Five Year Strategy
Five Year Workforce Plan
Annual Business Plan
Complementary Documents
GO Transit Five Year Strategy
UP Express Five Year Strategy
PRESTO Five Year Strategy
Rapid Transit Implementation Five Year Strategy

3.0 Planned Deliverables 2014-15

3.1 Direction for 2014-15

There are many key initiatives and milestones this year that are critical to the success of our mandate. The Metrolinx organization is growing its GO Transit network and expanding service while investing in three start-up operations: PRESTO, UP Express and Rapid Transit Implementation (RTI). This section highlights our expected progress in 2014-15 and the milestones for our major initiatives and status of our large capital projects.

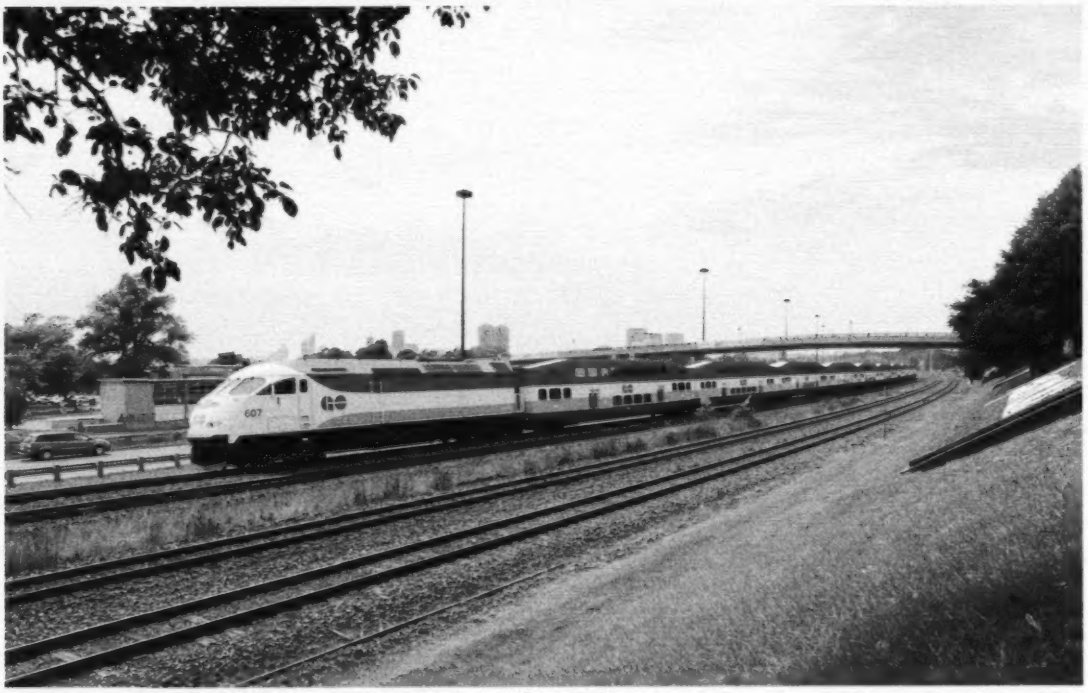
3.2 GO Transit Highlights

GO Transit ridership continues to grow across the system. In 2014-15, overall rail and bus boardings are forecasted at over 68 million, up nearly 3.6 per cent from the 2013-14 revised base year. In 2014-15, GO Rail has extended 30 minute weekend service on the Lakeshore East and Lakeshore West lines to cover mid-morning through to late night travel. This expansion is another significant step in transforming the GO Transit operating

model from a commuter service to a more comprehensive regional rapid transit system. The initial introduction of 30 minute service in June 2013 was GO Transit's biggest expansion since its establishment in 1967.

As service offerings grow in frequency and diversity, GO Transit is focused on maintaining customer service excellence. For instance, a number of customer communication initiatives such as on-train announcements and video display messaging, help keep GO customers informed of available service options.

Continuing our responsiveness to customer needs, GO expects to add peak-hour train service to several lines and again offer seasonal two way weekend train service to Niagara Falls and Barrie. On April 5th this year, GO Bus services were also expanded to better connect Hamilton to Mississauga Square One and to improve frequency of east-west trips along Highways 401 and 407.



3.3 PRESTO Fare Card Highlights

Full PRESTO implementation across the Toronto Transit Commission system is expected by the end of 2017 and will be a significant milestone in the GTHA's transition to a single fare payment card. PRESTO is expected to roll out across the TTC in phases starting with Wave 1 in fall 2014 to coincide with the TTC's new streetcar service delivery schedule. Rollout for this year includes the new Spadina streetcars and two additional TTC subway stations, adding to the fourteen stations currently on PRESTO. PRESTO expects to have issued a cumulative total of 1.5 million cards by March 2015. PRESTO and TTC are collaborating to define the Wave 2 scope and on a joint communication strategy to ensure appropriate messaging reaches customers at each phase.

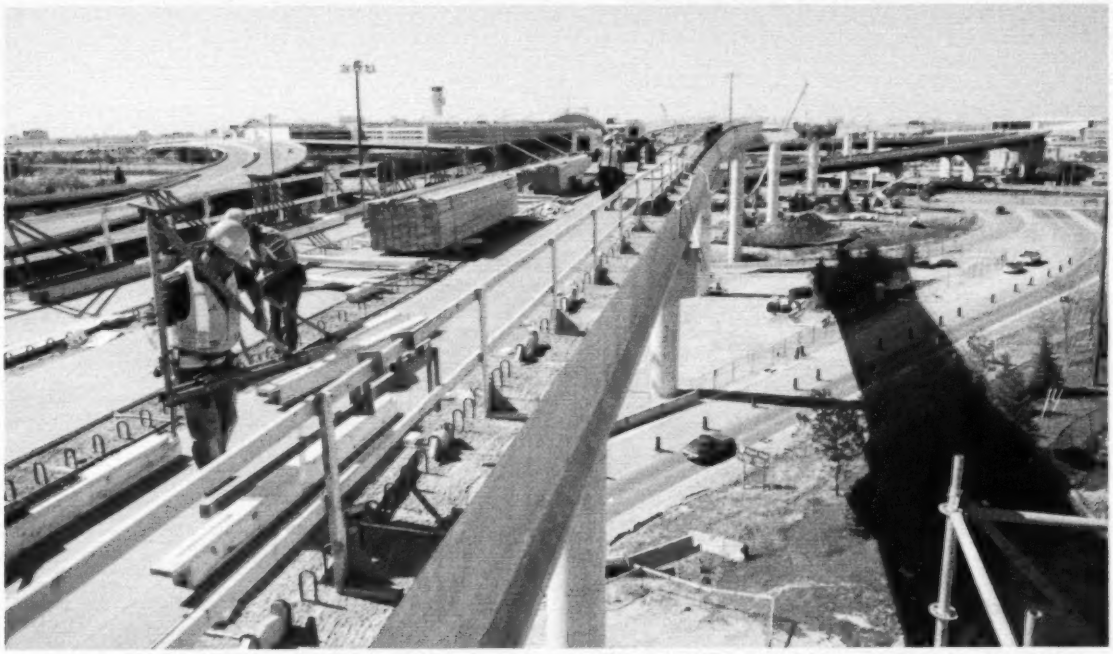
3.4 UP Express Highlights

UP Express will enter service in spring 2015 in advance of the Pan/Para Pan Am games, making 2014-15 a critical year to support a successful launch. Construction of the elevated spur line and all four stations (Union, Bloor, Weston and Pearson Station at Terminal one) are well underway and expected completion is January 2015, on time and on budget.

The UP Express vehicles are the first of their kind in our fleet and in North America. In keeping with UP Express's operating model as a specialized express service optimized for air travellers, the vehicles reflect anticipated passenger volumes and have been configured to meet the unique needs of this market. The rail cars selected meet exacting vehicle performance and design specifications, and their engines conform to the most stringent Tier 4 emissions requirements. Expected delivery of the first UP Express vehicles is August 2014 to begin testing and commissioning.

Train crews have begun their railway training requirements using GO Transit locomotives to ensure crews will be ready for operation in time for launch. Guest Services, frontline and support staff will be hired in fall 2014 and trained for their roles to provide a differentiated guest experience to passengers.

The final business model including the proposed fare structure will be submitted to the Board of Directors by the end of 2014. Strategic partnerships are a critical component of the UP Express business model. Metrolinx is actively engaged in fostering business partnerships to increase non-fare revenue, offset operating costs and add value to the customer experience.

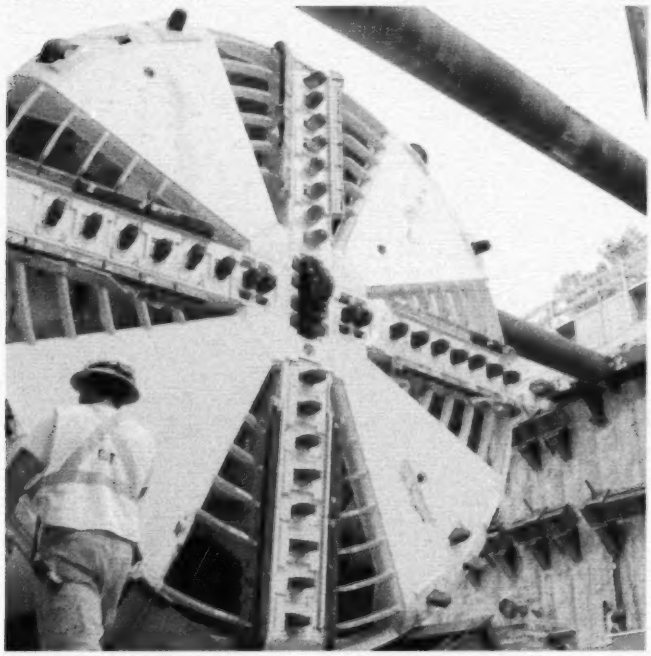


3.5 Rapid Transit Implementation (RTI) Highlights

Significant progress is expected this year with construction of the Eglinton Crosstown LRT. Dennis and Lea, the first two tunnel boring machines, were launched in summer 2013 from the West Tunnel launch shaft. In 2014-15 they will continue their journeys eastward while crews construct headwalls and relocate utilities at future station sites along Eglinton Avenue West. The East Tunnel launch shaft is expected to be completed in fall 2014 and the second two tunnel boring machines, Don and Humber, are expected to begin tunnelling westward in November. The RFP to design, build, finance and maintain the Eglinton Crosstown project is expected to reach financial close in March 2015.

Other rapid transit projects are making progress. The VivaNext bus rapid transit program continues construction across multiple communities in York Region, with an additional segment of dedicated bus rapidways on Highway 7 between Highway 404 and Warden

expected to enter service in August 2014. The RFQ for the Finch West LRT project is expected to be issued in the fall and reference concept designs are expected to be complete in January 2015. Two pilot light rail vehicles for the Toronto LRT lines are expected by December 2014.



3.6 Regional Express Rail (RER)

April of this year, the government made significant announcements committing to fund and implement Regional Express Rail within the GTHA. Metrolinx is excited about transforming GO Transit from a commuter service into a Regional Express Rail service. RER will transform the regional transportation system by providing significant new travel choices across the GTHA.

Building on the initial commitment to fast, frequent all-day express rail in The Big Move, Metrolinx has undertaken a great deal of foundational work since 2008. Metrolinx has launched strategic studies in planning, analytics and implementation, including benefit case analysis, a comprehensive system electrification study, and an Environmental Assessment for the first phase of electrification, the Union Pearson Express. Operationally, GO Transit made service changes consistent with Regional Express Rail, beginning with introducing 30-minute off-peak service along the Lakeshore rail corridor from Aldershot to Oshawa starting June 2013.

In conjunction with the Province, Metrolinx staff have been working to prepare an RER work plan, which will be comprised of four key elements: a service concept; infrastructure requirements; a phasing plan to identify the optimal sequencing of infrastructure and service; and an engagement plan.

3.7 Sustainability

The Big Move embodies the notion of balancing a sustainable transportation system that supports a high quality of life, and a thriving and protected environment, with a prosperous and competitive economy. For many years, Metrolinx and its operating divisions have introduced a variety of measures to live up to this concept of balancing social, environmental and economic responsibilities.

Community Benefits

Through its major infrastructure investments, Metrolinx strives to provide benefits for the communities in which it works, including creating employment, apprenticeship, and local supplier opportunities where possible. Recent successes have included the sponsorship of a training class through the "Hammer Heads" program to help link young men and women along the Georgetown South Project rail corridor with an opportunity to pursue a career in the construction industry.

Metrolinx has committed to include a Community Benefits program for the Toronto Transit Projects, beginning with the Eglinton Crosstown LRT line. In 2014-15, Metrolinx will continue to advance this important initiative under the terms of its Community Benefits Framework.

Energy Management

It is inevitable that as service demand, ridership and service offerings increase, Metrolinx's overall energy consumption will also rise. Rising to the challenge of energy efficiency is one way the organization is meeting its social responsibility obligations. Conservation measures adapted today will lead to more efficient energy consumption, reducing Metrolinx's energy footprint while helping to stabilize operating costs.

The 2014 conservation initiatives build upon the 2013 Metrolinx "Journey to Energy Excellence" undertaking which evaluated current energy management practices versus best practices. Gaps were identified and an action plan to improve energy conservation was produced. Armed with comprehensive energy usage data, better data analytics and implementation support from the Innovation team, Metrolinx energy management teams are prepared to implement their 2014 action plan.

The plan focuses on four key areas: conservation through investment, conservation through modified operating procedures, cost reduction with strategic energy procurement and energy data management to inform decision making. PRESTO, Rapid Transit Implementation, and Metrolinx Corporate Services are also being engaged to develop a corporate energy management strategy.

Environmental Sustainability Initiatives

Metrolinx continues to invest in environmentally friendly initiatives such as building LEED Certified facilities, using solar and wind energy, improving our fleet efficiency and

emissions technology, recycling office and construction waste, and launching programs and events to educate our communities.

In 2014-15, Metrolinx will create a Sustainability Framework including a sustainability vision for on-going operations. The framework will define annual targets for measuring progress and define a multi-year action plan that promotes sustainability in everyday business. Developing this Framework will involve stakeholders from across the organization and once finalized it will become a social responsibility component of core organizational priorities. By the end of 2014-15, Metrolinx will produce its first annual Sustainability Report to promote accountability for our sustainability program.

3.8 Other Key Initiatives

Legislated Review of *The Big Move* by 2016

The Metrolinx Act, 2006, requires that the Regional Transportation Plan be reviewed at least once every 10 years after the Act came into force, making 2016 a Big Move review deadline. The refresh of the Regional Transportation Plan will build on the current state of the network and will utilize strong technical expertise and evidence based analysis to set the vision of for the future with supporting goals, objectives and strategies.

Metrolinx must make significant progress in 2014-15 to deliver the updated Regional Transportation Plan by 2016. This year's focus is to provide the Board with a work-plan for the legislated review, initiate supporting studies, establish working groups, and complete a communication and consultation strategy.

Rail Safety

There is a heightened awareness of rail safety issues since the train derailment in Lac-Mégantic, Quebec in July 2013. The derailment of numerous tank cars containing light crude oil led a deadly explosion and massive fire that killed 47 people and devastated the community's downtown. Since the incident Transport Canada has been looking at ways to further tighten rules related to rail safety. To respond, GO Transit is proactively taking steps to build on our already strong record of rail safety. GO Transit has set-out an overarching goal to continue to strengthen the rail safety culture at GO Transit through clear leadership and commitment to safety, effective communication and continuous improvement.

Further, the Federal Railroad Administration in the United States has imposed regulations requiring implementation of a train operation safety mechanism knows as Positive Train Control (PTC) by 2015. PTC systems integrate command, control, communication and information systems to control train speed, location and movement in real time. In response, the Canadian government is considering introducing PTC legislation in Canada.

Metrolinx Rail Safety Agenda 2014-15

- Conduct a Positive Train Control (PTC) feasibility study
- Undertake an audit/risk assessment of dangerous goods movement on Metrolinx-owned railway corridors with Transport Canada and develop an action plan
- Review train crew work-rest polices to reduce split shifts
- Develop a bridge safety management system
- Update the Rail Corridor Safety Management System
- Conduct ongoing safety assessment of level crossings and continue to advance potential additional grade separations
- Launch GO Safe – Rail Corridor Orientation online training for all contractors and staff working near the rail corridor – summer 2014
- Initiate several pilot rail safety initiatives including:
    - High fencing in Burlington and Oakville to reduce trespasser incidents and near incidents and add call centre information for suicide prevention
    - An embankment failure monitoring project
    - An advance train warning program for platform workers

Design Excellence

Initiated and mandated by the Board of Directors, Metrolinx has launched a multi-pronged strategy to integrate design excellence into its significant capital investments. The goal is to build on the tradition of high competence in the areas of technical and functional design by adding to the scope areas of architecture, urban design, and landscape architecture. The approach includes but is not limited to:

- Integrating design excellence into corporate procurement and project evaluation;
- Ensuring appropriate design guidelines are in place to direct consultants, staff, and decision-makers; and
- Establishing a corporate design review process, including a design review panel with a high standard of professional expertise.

The Metrolinx Design Review Panel has reviewed four projects since its inception in October 2013. This work improves the overall quality of design through focused, constructive feedback by an external panel of experts. The Eglinton Crosstown Light Rail Transit Design Excellence Principles and Requirements are being utilized as part of the Eglinton Crosstown LRT procurement, which is mid-way through the Open Bid Period. The Regional Wayfinding and Harmonization initiative is underway, with all GTHA transit agencies to develop a common regional wayfinding vision for transit. Design excellence has developed a corporate Integrated Art Policy and is currently developing GO Transit Design Excellence Guidelines that will apply to new and renovated stations, bus terminals, and parking garages.

Open Metrolinx

The Open Metrolinx program will form the foundation that will allow Metrolinx to share its data and information online to better inform the public and stakeholders and encourage participation, sharing, combining and learning. Aligning with the Ontario Open Government initiative, the Metrolinx portal will include open data (raw, static data and real time data), open information (research, analysis, policies and processes), building up to open dialogue (online tools to engage the public in policy and program development). The portal will include both existing and new data and information. The following benefits are anticipated:

- Demonstrating our commitment to transparency, collaboration and innovation
- Encouraging integrated, easy, seamless mobility across the GTHA as, for example, data and information is combined, forming new ideas for research, policy, planning, programs and research
- Proactively engaging the public in problem solving, decision making, reporting and planning, encouraging more informed dialogue

This higher level of transparency is becoming a norm and is globally driving innovation in policies, research, programs and applications. In 2014-15, Metrolinx plans to:

- Set up governance to guide the Open Metrolinx initiative
- Develop the Open Metrolinx platform
- Lead a discussion on Open Government and provide training, tools and processes
- Identify and prepare existing information to be shared
- Collaborate closely to tightly connect Open Metrolinx to the Legislated Review of the Regional Transportation Plan
- Prepare open data feeds for release in early 2015-16

3.9 Detailed Deliverables 2014-15

Exhibit 2: Status of Deliverables

Five-Year Strategy Objectives	2014-15 Deliverables
I. Provide regional leadership to enhance mobility options, guided by *The Big Move*, stimulating and supporting the activities of partners across the region.	
1. **Maintain the relevance of *The Big Move***, through updates and related planning, to guide investment and decision-making.	a) Bring work plan for Regional Transportation Plan legislated review to Board in June of 2014. Initiate supporting studies for legislated review and established working groups. b) Update Project Prioritization Framework and project phasing plans. c) Complete communication and consultation strategy for legislated review.
2. Advance **integrated transit fares and services** across the GTHA, optimizing convenient seamless connections to improve customer experience.	a) Complete the development of the policy framework for GTHA transit service integration. b) Complete the development of the policy framework for GTHA transit fare integration. c) Initiate the business case for GTHA transit fare and service integration d) Complete Kipling Bus Terminal Feasibility Study.

Five-Year Strategy Objectives	2014-15 Deliverables
3. **Champion *The Big Move*** strategies, **collaborating** with stakeholders, and implementing selected regional initiatives to advance transportation objectives.	a) Complete the Pearson Airport Area Transportation Study and business case. b) Collaborate with Peel Goods Movement Task Force and Southern Ontario Gateway Council on joint members meeting in June 2014; initiate review of GTHA Urban Freight Study to incorporate into the Legislated Review. c) Initiate development of a regional Active Transportation strategy as a component of the Legislated review. d) Advance the Regional Transit Traveler Information System trip planner for GO Transit and municipal transit agencies, with initial system to be ready for Pan Am games by July 2015. e) Advance Regional Wayfinding Harmonization Project: o Develop identity and graphic standards for RTTIS o Advance framework and digital tool interface o Adapt GO Design Guidelines f) Implement recommended actions to support increased integration of specialised transit and GO Transit services. g) Support CycleON cycle safety actions as applicable. h) Launch new Smart Commute online services to support ridesharing i) Expand the TPI program in terms of scope and number of participants: o Increase number of procurement types from 6 to 7. o Increase number of participants from 29 to 31 j) Complete an implementation plan for support and coordination of active and sustainable school travel in the GTHA k) Provide an annual report to highlight participation and impact of the Smart Commute program. l) Develop a work plan for Transit Procurement and New Technologies (TPNT) to become a knowledge centre in the area of new technology developments which affect public transit for Metrolinx, municipal partners, and sustainable transportation stakeholders. m) Complete Freight Rationalization Feasibility and Commercial Impacts Study by the end of the year
4. Fully implement **PRESTO** in the GTHA and Ottawa.	a) Support e-ticketing launch. Prepare a plan for Field Service support model by April 2015 for UP Express Fare systems. b) Develop and deploy the first stage of the Business Intelligence system. c) Begin deployment for TTC Wave 1 w with initial streetcar line (Spadina) complete and Bathurst line in progress (note that deployment is determined by TTC vehicle delivery schedule). Initial subway stations (e.g.. Spadina) will be installed with PRESTO, with priority given to streetcar interchange stations. System functionality to support TTC business rules for initial deployment will be complete (e.g. cash, token, debit/credit payments on streetcars, and PRESTO use on streetcar and subway). Scope will eventually include York/Spadina subway extension. d) Performance Testing of PRESTO system as part of R2.3 release. e) Enhance the Consolidated System Monitoring program. f) Begin remediation work with Thales to achieve a stable system state to last until 2016. g) Complete infrastructure upgrades as required by production, organic growth and the results of performance testing and remediation work. h) Device monitoring system. i) Industrialize PRESTO Operations processes and procedures. j) Modernize pre-product testing environment.
II. Pursue stable funding to support the integrated mobility improvements outlined in *The Big Move*.	
5. Support the implementation of the **Investment Strategy** investment tools once approved by the Province of	a) Monitor and report implementation of all Investment Strategy Recommendations. b) Produce and communicate existing and new economic information and research.

Five-Year Strategy Objectives	2014-15 Deliverables
Ontario.	c) Develop an Alternate Financing Procurement (AFP) delivery screen for projects greater than $50M to address recommendation 13 and implement by the end of the year.
6. Strive for **industry leadership in cost management and revenue generation** from fares and other sources.	a) Secure a new advertising vendor by fall 2014 to modernize assets and increase guaranteed revenue while delivering customer amenities like wi-fi at all stations. b) Roll-out 40 vending machines across system by fall 2014. c) Solicit and have in place founding partners for UP Express and explore opportunities for other Metrolinx business units by March 2015. d) Develop a retail strategy for GO Transit to increase non-fare revenue and deliver an improved customer experience. e) Advance development and execution of a Land Value Capture strategy. f) Establish a consistent approach to prioritize, evaluate, and approve a Land Value Capture opportunities on or near regional rapid transit and GO Rail stations.
III. Implement Priority Regional Transit Infrastructure Projects in *The Big Move* as world-class city-building projects.	
7. Deliver **GO Transit infrastructure** required to continue progress toward a comprehensive **all-day regional transit** service.	a) Commission Richmond Hill train layover. b) Complete Stouffville Expansion Environmental Assessment c) Advance property acquisition, design and/or environmental assessment work as applicable for additional train layover capacity on Kitchener, Milton and Barrie corridors. d) Complete new environmental assessments or addenda as applicable for planned additional GO stations e) Advance design and environmental assessment work for supplemental improvements to Mississauga Transitway. f) Commence procurement and replacement of: o Corporate PA System o GO Transit Control Center (GTCC) Communications Console o Station Communication System (Red Phone) o Train Scheduling and Management System Upgrade for GO & UP Express g) Complete new train shed atrium to enhance the platform environment by end of 2014. h) Complete implementation strategy for the GO Transit Parking and Station Access Plan. i) Advance walk/cycle/transit improvements to a state of funding readiness for at least 5 stations. j) Provide 1300 new parking spaces at GO Rail Stations and initiate feasibility and design for potential future parking structures. k) Open new bus maintenance facility in East Gwillimbury. l) Promote a 'green zone' of station access modes at stations including new electric vehicle chargers, designated carpool parking, and Zipcar. m) Pilot station travel planning for customers at two GO Rail stations. n) Undertake railway corridor improvements to support rail service extensions, additional peak period capacity, or two-way service. o) Acquire lands for new GO Transit rail station at Hamilton James North on the Lakeshore West line and Lewis Road layover. p) Continue to expand ownership of railway corridors used by GO Transit as the opportunity presents itself, in order to realize the full benefits of corridor improvement investments. Complete acquisition of portion of the Guelph Subdivision. q) Advance East Rail Maintenance Facility (ERMF) : o Request for Proposals for Design Build Finance Maintain contract was released on June 27, 2014 and closing on October 3, 2014. o Commercial and Financial Close is expected in February 2015. o Detailed Design and Construction start is expected in March 2015

Five-Year Strategy Objectives	2014-15 Deliverables
8. Complete UP Express construction on time and on budget.	a) Complete construction of: o Georgetown South railway corridor improvements and airport spur construction by 2014. o UP Express stations at Union, Bloor, Weston and Pearson by 2015, (including property acquisition for Bloor GO station). b) Vehicle servicing and maintenance facilities by 2015. c) Receive and complete testing of new rail cars by 2015. d) Complete environmental assessment for electrification of the UP Express by the end of June 2014.
9. Advance construction of priority **Rapid Transit projects** consistent with *The Big Move*.	a) Advance Eglinton Crosstown LRT: o Execute utility agreements (with telecom companies and Toronto Hydro) - September 2014 o Complete Municipal Infrastructure Agreement with the City of Toronto - August 2014 o Eglinton RFP Commercial/Financial Close - March 2015 o Reach 50% of property acquisition plan by spring 2015 o Begin tunneling the East Tunnel Shaft 3 - October 2014 o Complete East Tunnel Shaft 3 - November 2014 o Select preferred proponent for Eglinton Crosstown AFP contract – December 2014 o Arrival of TBMs 1 and 2 at Eglinton West Station - January 2015 b) Advance Finch West LRT: o Issue Finch RFQ - October 2014 o Complete Reference Concept Designs for Finch - January 2015 o Complete Finch Project Specific Service Output Specifications and Project Specifications - Spring 2015 o Select pre-qualified bidder for Finch (based on RFQ) - April 2015 o Commence Environmental Assessment for MSF - April 2014 c) Advance VivaNext Bus Rapid Transit (BRT): o Highway 7 BRT (Highway 404 to Warden Avenue) in-service - December 2014 o AFP/RFP for Highway 7 BRT (in Vaughan and Markham) - July 2014 o Award design-build contract for Yonge Rapidway – April 2014 o Continue to acquire properties for VivaNext projects d) Advance Hurontario-Main LRT project: o Continue to advance funding application to P3 Canada o Complete Transit Project Assessment Process (TPAP) by submitting Environmental Project Report (EPR) in Summer 2014 o Continue pre-procurement-related activities including development of a draft Master Agreement with the municipalities and detailing project output specifications e) Light Rail Vehicles: o Completion of 2 pilot low floor rail vehicles - December 2014
10. Champion coordination of **land use and transportation** to increase mobility choices and leverage public transportation investments.	a) Launch procurement process to identify and select developer for first potential redevelopment of a GO Transit station property, with redevelopment to utilize Metrolinx Mobility Hub Guidelines. b) Update the Mobility Hub Profiles. c) Initiate mobility hub and station planning to support delivery of the Finch LRT. Complete stations plans for Kipling and Kennedy. Support Crosstown, Sheppard, and Finch project development process. d) Establish a consistent approach to prioritize, evaluate, and approve joint development opportunities on or near regional rapid transit and GO Rail stations. e) Coordinate with the Ontario Growth Secretariat legislated Review of the Greater Golden Horseshoe Growth Plan to ensure transit supportive policies remain a cornerstone of the provincial policy.

Five-Year Strategy Objectives	2014-15 Deliverables
IV. Operate Metrolinx services, setting the regional standard in customer service excellence.	
11. Expand **GO Transit** service to accommodate growing ridership, retaining its customer focus and transforming it into a comprehensive all-day regional transit service.	a) Introduce new peak service on the Barrie line and explore other peak service expansion opportunities as resources permit b) Expand the window of weekend 30 minute train service on the Lakeshore East and Lakeshore West lines. c) Expand service between Hamilton and Mississauga Square One Terminal as a next step to completing an east-west regional bus spine across the GTHA. d) Rationalize regional GO Bus services in Milton. e) Develop Marketing plan to support core business objectives. f) Implement new communication protocols, tools and campaigns to ensure effective and consistent messaging, as well as provide self-service options to customers. g) Complete the development of the policy framework for GO fare policy. h) Launch customer service communication channels. CAD/AVL Project on track to complete the deployment of On-Board Automated Stop Announcements, Computerized Dispatch and enhanced Customer Information for Bus. i) Enhance the customer first culture at GO Transit with the implementation of the next phase of the Customer Service Training Road Map – "I AM GO". j) Award new multi-year bus procurement and prioritize snow clearing activities/agreements and bus stop conversions. k) Automate the Parking and Fare Ticketing Processing function by deploying an on-line system, provided by a 3rd party company.
12. Launch **UP Express** to link Union Station and Toronto Pearson airport, delivering a **differentiated customer experience**.	a) Complete market research to support the launch and ongoing operation of the UP Express. b) Finalize the business model for the UP Express service, reflecting regularly updated ridership projections, for Board approval in late 2014. c) Implement a master communications plan, along with comprehensive marketing, to raise awareness and ridership of the UP Express. d) Execute operations plan for UP Express, leveraging Metrolinx capabilities and third party agreements to deliver a highly reliable service with attention to excellent customer service carrying roughly 5,000 passengers per day or 1.8 million rides in the opening 12 months. e) Develop approach and design of UP Express front line training. f) Lead key projects for customer service solutions to support UP Express guest experience. g) Deliver the UP Express Technology Program whose 12 streams include: web site with mobile capability, customer wi-fi at stations and on-board trains, Customer Communication Management Systems, Contact Management (CRM), airline check-in kiosks, flight information displays, and launch of the region's first online ticketing system for transit.
13. Complete **Rapid Transit operating agreements** that emphasize excellence in **customer service** delivery.	a) Complete preliminary Operating Agreement with TTC – August 2014.
14. Enrich the **PRESTO** customer fare payment experience with **enhanced customer convenience** and increased payment flexibility.	a) Develop customer experience strategy and market research on barriers to adoption. b) Develop channel strategy and business cases for card reload and distribution. c) Implementation of pilot solution for 3rd party para-transit. d) Develop a strategy and business case for open payment using contactless cards and mobile devices. e) Complete market research to ensure the voice of the customer is included in the products and services PRESTO offers.

Five-Year Strategy Objectives	2014-15 Deliverables
15. Support the Pan/ParaPan Am games organizers in providing optimal mobility to games attendees and GTHA residents throughout the games period.	a) Develop GO service plans to support Games travel, working as part of the MTO-led Games Transportation Planning process. b) Leverage GO and UP Express teams to support the Pan/ParaPan Am games. Including the development of staffing models to ensure a positive customer experience. c) Develop a business engagement strategy for the Pan Am Games in partnership with the Ministry and Transportation and Toronto 2015, and manage implementation of this strategy to Smart Commute Workplaces in the GTHA. d) Complete construction of the new James North station in Hamilton and rehabilitation of the Exhibition station.
V. Ensure that Metrolinx remains a trusted organization with the capacity and flexibility to deliver *The Big Move*.	
16. **Develop Metrolinx** as an organization of engaged employees, with the capacity, expertise and design to meet evolving business standards and anticipate future needs.	a) Deliver the new Management Essentials as a component of enhancing our strong professional and leadership development programs; Embed the Metrolinx values and behaviours into the organizational culture and talent programs; Refresh the HR 5-year Strategic Plan; Improve core HR operations by leveraging technology; Continue to enhance and implement Occupational Health & Safety Programs; Collective Agreement negotiations (ATU) b) Develop and begin implementing a diversity strategy by 2015. c) Deliver a workplan for improving the commute for Metrolinx employees, including recommendations from the telework pilot. d) Deliver a workplan on creating a culture of innovation at Metrolinx. e) Leverage our employees' creativity and wisdom by implementing a pilot for a crowdsourcing platform to solicit and manage ideas and suggestions. f) Employee Survey Action Planning; Develop and implement Onboarding Strategy for the 2014-15 workforce plan. g) Develop an Enterprise Asset Management Plan and a Prioritization Framework. h) Procure a budgeting and reporting software tool to be rolled out for 2016-17 multi-year budget development process. i) Implement Procurement Transformation Strategy: o Fully executed resource transition plan and supporting onboarding plans for new (and current) PCS managerial and non-managerial positions according to the future state organizational design o Implementation of work management initiative to monitor staff's current workload and provide them with a mechanism to report issues, solve problems and enable collaboration o Execution of Program Planning framework to enable early strategic planning with the Divisions o Execution of Value-for-Money initiatives including Qualifications-Based Selection (QBS) method, Procurement Vehicle decision model, Pre-Qualification Strategy for Design Engineering Services, Contract Bonding Business Case, Market Intelligence dashboard, and initiation of one operating category management initiative o Documentation and implementation of tools, templates and process that directly impact cycle time and non-technology processes including Sourcing, and Vendor Relationship Management functions j) Assessment of stakeholders, development of internal change readiness assessment and ongoing communications that include 13 roadshows and team meetings k) Form a Green Team to enhance employee engagement and morale, and leverage it to stay informed and report on other innovative projects implemented throughout the organization. l) Establish a Sustainability Framework that will include a vision, roadmap, targets and an action plan. Support other departments in implementing specific actions. m) Finalize the energy management plan and continue to work with the energy management teams and other divisions in implementing measures. n) Attain UITP Sustainability Charter Pledge Signatory status.

Five-Year Strategy Objectives	2014-15 Deliverables
	o) Ensure Sustainability Framework, Energy Management Plan and the Utility Information System and the internal progress tracking tools are aligned with and in support of achieving the APTA and UITP goals within the targeted timeframe. p) Pending confirmation of budget, research and procure a Utility Information System to streamline and manage utility spending. q) Pending confirmation of resource availability, initiate the development of a Climate Adaptation plan in collaboration with other departments and external partners. r) Introduce Vendor of Record program for architecture and landscape architecture (2014) s) Carry out design review by dedicated panel for Crosstown (2014) t) Carry out design review (MDRP) for all applicable GO stations/infrastructure and GO Design Excellence Guidelines (2014-15) u) Make available to the external developer community and 3rd party operators, a standardized data feed containing GO Transit Rail/Bus and UP Express schedule, real time and service alert data. v) Attract and retain the best talent and be recognized as an employer of choice through: o Adoption of Alternative Workplace Strategies (AWS) to promote employee engagement and a high-performance culture, and to ensure Metrolinx stays current with the changing workplace environment. w) Ensure that the proper business structure, resources and processes are in place for Metrolinx to be effective, efficient, agile and durable: o Ensure that corporate support functions such as Procurement, Realty Services and Information and Information Technology possess adequate resources to manage anticipated workloads. o Acquire, fit-up and occupy up to 120,000 sq. ft. of new office space to accommodate Metrolinx's short and medium term head count growth requirements. o Develop a long-term office accommodation strategy by 2015, to house existing and future head count growth over a 10 to 20 year period. o Develop and implement systematic cross-functional support for Metrolinx's joint development initiatives. x) Finalize the Metrolinx Corporate I&IT Data Centre strategy by establishing a Primary and Disaster Recovery capability at MGS datacenters in Guelph and Kingston. Migrate Metrolinx Production Server and Storage infrastructure with all applications and data to the Primary in 2014-15. Establish the infrastructure in the DR center for activation in 2015-16. y) Address the aging of the current corporate telephone system by migrating to a modern VoIP (Voice Over IP) system. Project to address the current issues of inconsistent systems across locations, lack of unified communication features, inclusion of stations and small office locations into the corporate systems, a significant increase in Call center functionality and the implementation of an IVR (Interactive Voice Response system). z) Replace the Router and Switch components of the Corporate Network Infrastructure to address the End of Life status of the existing equipment, provide enhancements to address security and PCI compliance, increase the capacity to meet growing usage and support new technologies such as VoIP. aa) Implement Capitalized labour Tracking to address the Provincial Auditor findings and improve Capital Labour reporting & management. Functionality will be incorporate into the Workbrain Scheduling and Timekeeping system as a Phase 3 deliverable. bb) Improvements to the I&IT Service Management Process by implementing 9 ITIL based IT Operational Processes and implement a new Service Management System for improved customer experience, operation efficiency and reporting. cc) Upgrade the Security Infrastructure between the Corporate network and the Public Internet, the DMZ (De-militarized Zone) to improve the security posture, increase capacity and add new capabilities to address emerging requirements.

Five-Year Strategy Objectives	2014-15 Deliverables
	dd) Upgrade the underlying technology of the Corporate Enterprise Management System, Oracle EBS ERP to to meet the requirements of the growing business users. ee) Initiate the first stages of a multi-year plan to outsource the property administration function within Realty Services to improve the organization's property and lease administration capabilities. Establish a property and lease administration database to track and report on Metrolinx's real estate portfolio.
17. Demonstrate that Metrolinx provides excellent **value for money** through **performance monitoring** and periodic efficiency reviews.	a) Implement a suite of public facing Key Performance Indicators (KPIs) along with targets and supporting Management KPIs to submit to the Board of Directors before the end of 2014. b) Establish process as part of the business case framework to embed an economic and financial review of project performance against previously forecasted results. c) Provide an annual report summarizing the benefits (cost savings and cost avoidance) of Transit Procurement Initiative (TPI). d) Deploy an Enterprise Risk Management (ERM) System software. e) Support the development of a strategy for a Business Intelligence (BI) System for generating Corporate Reporting. f) Upgrade the CI Project Management System, Clarity, to allow the system to continue to support the business and provide additional feature to enhance the reporting and value. g) Undertake the Project to migrate the existing Procurement System to the Corporate Enterprise Management System (Oracle EBS ERP). h) Complete the upgrades of the RTI Project Management Systems; Ecosys, Primavera, Contract Manager and improve the integration with the Corporate ERP system.
18. Establish trust as the regional transportation authority, modeling **transparency and accountability**.	a) Initiate the implementation of Open Metrolinx, a strategy for Open Government. b) Conduct a review of integrated planning and reporting for the Board of Directors. c) Implement and roll-out business case development process for projects greater than $50M.

Metrolinx Business Context is shaped by:

- Momentum from 2013-14 results
- Delivery of the Investment Strategy
- Creation of the Transit Advisory Panel to advise government on the Metrolinx Investment Strategy and options for transit funding in the GTHA
- Recent transit investment announcements such as Regional Express Rail and other commitments in the 2014 Ontario Budget
- Business Environment Scan

4.1 Momentum from 2013-14

Several key milestones were achieved across the organization as we continued to transform public transit in the GTHA.

GO Transit introduced off-peak service every 30 minutes on the Lakeshore lines from Aldershot to Oshawa resulting in a 30% increase in off-peak ridership. Peak hour services on the Stouffville and Lakeshore East lines were also increased. GO Transit also completed three new parking structures at Ajax, Erindale and Pickering stations and made significant progress on the revitalization of Union Station.

All components of the UP Express construction were underway by the end of 2013-14.

PRESTO issued its 1,000,000th card, completed implementation in Ottawa, seamlessly transitioned the GTHA transit agencies to the PRESTO Next Generation (PNG) platform and started the design and development for TTC implementation.

RTI commenced tunnelling on the west side of the Eglinton Crosstown LRT and opened the first section of the VivaNext Bus Rapid Transit expansion. At the behest of Toronto City Council, the Scarborough LRT project was assigned to the City as a subway project, requiring Metrolinx to separate the joint procurement for the Eglinton Crosstown and the Scarborough LRT projects. The standalone RFP for the Eglinton Crosstown was released in December 2013.

A detailed list of 2013-14 outcomes is outlined in **Appendix 2**.

4.2 Investment Strategy Update

On May 27, 2013, the Metrolinx Board of Directors adopted an Investment Strategy report that contains 24 recommendations. These recommendations comprise a four-part plan to integrate transportation, growth and land use planning in the GTHA, maximize the value of public infrastructure investment, optimize system and network efficiencies, and dedicate new revenue sources for transit and transportation.

Following delivery of the report, Metrolinx established an implementation office to coordinate, advance and report progress of Investment Strategy Recommendations. Recommendations within Metrolinx' current mandate are being implemented now, including undertaking world-leading evidence-based project evaluation and selection processes, supporting transit-oriented development, improving the level of service integration, and reporting on scope and phasing of Next Wave projects.

The Provincial Government responded to the Investment Strategy report by establishing the Transit Investment Strategy Advisory Panel and subsequently announcing a proposal for dedicated funding in the GTHA:

- The Transit Investment Strategy Advisory Panel advised the government about future transit needs in a December, 2013 report titled, "*Making the Move: Choices and Consequences.*" The report was largely supportive of the Metrolinx Investment Strategy and provided additional advice on how to: advance *The Big Move* plan, fund transit, build trust and sustain momentum.

- The 2014 Ontario Budget included key new initiatives to fund the next round of transportation investment.

4.3 Recent Transit Announcements

Metrolinx has been looking forward to the provincial government's response to the Investment Strategy and the Transit Advisory Panel's recommendations for stable dedicated funding of priority transit projects. This spring the government announced the Moving Ontario Forward Plan to provide nearly $29 billion over the next 10 years for priority infrastructure investments across the province. This will include up to $15 billion in the GTHA and nearly $14 billion in the rest of the province. Two new funds will be created to provide dedicated, stable funding for projects: one fund will be dedicated for transit investments in the GTHA, and the other would support infrastructure investments outside the GTHA.

Proceeds from the dedicated GTHA fund would be invested exclusively in public transit priorities that address congestion and improve mobility throughout the region. As a priority, the Province will move forward with the GO Regional Express Rail initiative. The budget also noted that priority projects within the GTHA would be drawn from the Next Wave of Metrolinx projects outlined in the Investment Strategy.

The province has asked Metrolinx to review opportunities to move GO service towards regional express rail, providing fast and frequent electrified service on all corridors at intervals as frequent as 15 minutes, work closely with the province to access the GTHA transit trust funding and prioritize transit investments based on strong evidence based business cases.

4.4 Federal Funding Opportunities

The federal government officially launched the New Building Canada Fund on March 28, 2014 and provided information required to start identifying priority projects and applying for funding. Metrolinx is working with the Province to leverage federal investments for priority transit projects and strong candidates to access P3 Canada funding.

4.5 Business Environment Scan: Challenges and Opportunities

Metrolinx functions in an external environment with considerable long-term challenges due to economic, political, social, technological and environmental change. These challenges and related opportunities impact the five year strategic priorities and in turn influence annual business plan deliverables. Expanding routes and schedules to meet demand; growing the ridership base; rapid expansion challenges; emerging safety mandates; and funding for Next Wave projects, are all factors that shape the operating environment. Opportunities and challenges are identified by environmental scanning including community consultation.

Regional Transit Business Environment: Challenges and Opportunities	
Service Expansion	Ontario's Finance Ministry estimates the Greater Toronto and Hamilton Area (GTHA) population will grow by over 40% from 6.4 million in 2012 to 8.9 million in 2036. The GTHA suburbs are expected to grow more rapidly by 1.9 million. Pressure to address the resulting gridlock and support Ontario's long-term economic prosperity drives Metrolinx to rapidly expand rail/bus routes and service hours across the GTHA, while delivering complex, multi-year infrastructure projects on time, on scope and on budget.
Customer Growth & Retention	Ridership volume is most sensitive to the customer experience, convenience and value. This behavioral reality challenges Metrolinx to sharpen its customer service focus and drives a culture of constant customer-facing innovation in service and the customer experience.
Fleet/Facility Growth & Maintenance	Growing service demand exerts time and resource pressures on fleet expansion, replacement and maintenance to keep pace with current and projected needs. Construction of new parking structures, bus and rail maintenance and storage facilities is needed to support rapid expansion.
Safety & Security	GO Transit customers must feel safe when using our services. As train safety legislation and available technology continues to evolve, Metrolinx is driven to implement safety initiatives to stay ahead of industry standards. For example, the regulatory direction to implement Positive Train Control in the United States is an important development that Metrolinx is monitoring.
Funding	With the conclusion of the recent Provincial elections, transit funding has come into clearer focus. The 2014 Ontario Budget committed to a $15B trust for transit funding in the GTHA and committed to priority transit projects like Regional Express Rail and other Next Wave projects.
Fare Evasion	The GO Transit bus and rail network uses a non-gated entry system that is subject to potential fare evasion. To minimize revenue loss from fare evasion, GO Transit Safety Officers perform daily fare inspections (over 3 million per year) across the network based on intelligence and risk based models to ensure customers have paid their fare and fine passengers that have not paid to ride the network. Fare evasion is regularly measured at about one percent of fares collected, an industry leading record. Capturing the remaining one percent of fares collected would require substantial enforcement costs and reduce the customer experience.

5.0 Financial Profile

5.1 Operating Budget

The development of this year's operating budget was guided by key Business Plan objectives and other assumptions (please see Appendix A). The operating budget for fiscal 2014-15 is $679M in expenses offset by $466M in revenue and $17M from sale of assets. The result is a provincial subsidy requirement of $196M, $51M more than the 2013-14 budget.

Exhibit 3: Metrolinx 2014-15 Budget by Expense Type

(Dollars in Millions)	Budget 2014-15	Budget 2013-14	Actual 2013-14
Revenue			
Commuter Revenue	439.2	411.5	405.9
Less: Fare Integration	(11.6)	(10.2)	(11.4)
Less: Service Guarantee	(1.0)	(0.6)	(0.9)
Sundry Revenue	39.2	32.0	41.3
Total Revenue	***465.8***	***432.7***	***434.8***
Expenses by Type			
Operations	168.6	156.1	156.4
Labour & Benefits	223.8	207.3	212.5
Facilities & Track	98.3	92.3	88.3
Equipment Maintenance	75.5	70.7	73.8
Supplies & Services	26.4	22.7	34.5
PRESTO	65.8	41.7	37.1
Union Pearson Express	20.6	2.8	9.2
Total Expenses	***679.1***	***593.7***	***611.8***
Excess of Expenses over Revenue	(213.3)	(160.9)	(177.0)
Less: Proceeds from Sale of Assets	17.0	16.0	15.5
Net Operating Requirement from Province	**(196.3)**	**(144.9)**	**(161.5)**
Amortization Expense	359.8	307.0	296.2

Note: Numbers may not add up due to rounding

Metrolinx is a consolidated entity to the Province of Ontario. As such, the fiscal impact of Metrolinx on the Province is equivalent to the operating subsidy, amortization of capital assets and the cost of borrowing for Metrolinx capital expense. Actual Amortization expense was $296.2M in 2013-14 and is expected to grow to an estimated $359.8M in 2014-15. Substantial increases in amortization expense are expected in 2015-16 as major expansion projects like the Georgetown South corridor and UP Express come into service.

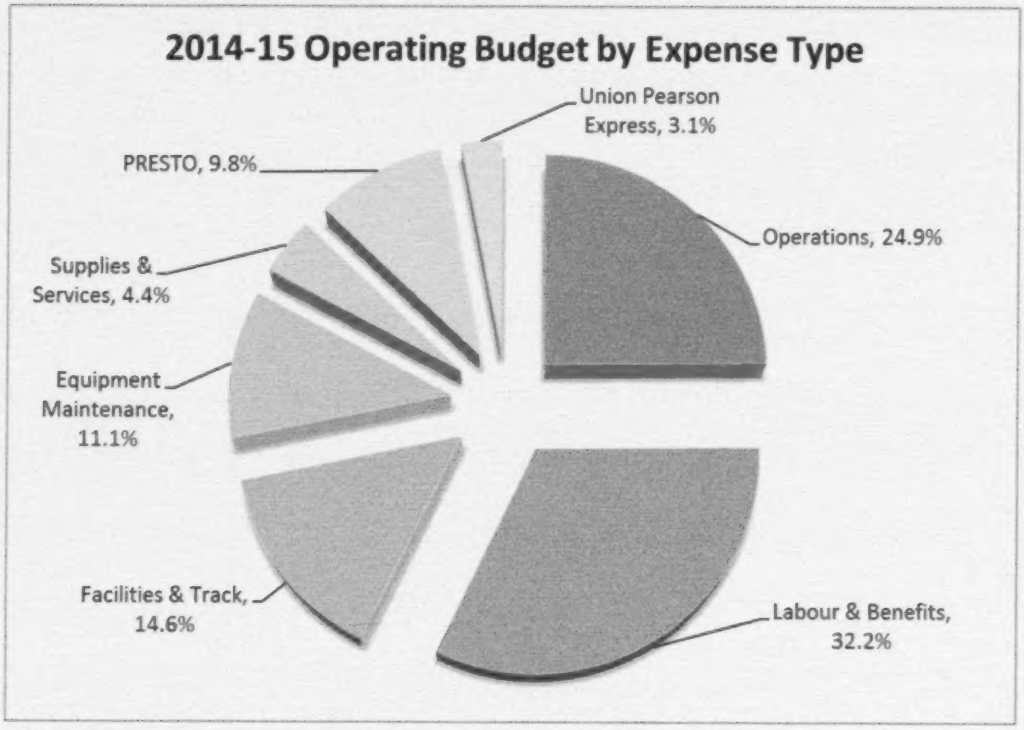
The 2014-15 operating budget estimates total revenue of $466M, an increase of 7.6 percent in total budgeted revenue from fiscal 2013-14. Current projections for fare revenue in fiscal 2014-15 ($439M) are based on a year-over-year increase in GO Transit ridership and a fare increase that took effect February 2014. The 6.7 percent growth in budgeted fare revenue is consistent with past forecasting practices. Projected sundry revenue (i.e. non-fare based) is expected to exceed $39M this fiscal year. Non-fare revenue sources typically include billboard advertising, track usage fees from corridor ownership, PRESTO TTC

implementation, UP Express partnerships, interest on working capital and reserved parking fees.

On September 1, 2014, Metrolinx plans to increase reserved parking from $80.00 to $90.00 per month (the price includes 13% HST). The current rate of $80.00 per month ($960.00 per year) generates about $3.8 Million per year (including taxes). The proposed rate increase to $90.00 will generate incremental revenue as will the decision to increase monthly reserved parking by $4.00 annually.

Total expenses for this year are projected at approximately $679M. Some of the key cost drivers are diesel fuel, hydro, rent and property taxes, as well as increased service levels in both bus and rail. The largest cost element is Labour & Benefits, which accounts for 33.0 percent of the operating budget, down slightly from 34.9 percent in 2013-14. Overall, the $16.4M increase in budgeted Labour & Benefits expense is required to support GO Transit's ridership growth and initiatives such as PRESTO and UP Express. Operating costs for PRESTO increased in 2014-15 due to the planned expansion of the PRESTO program to Toronto's TTC System. UP Express operating costs increased in 2014-15 due primarily to changes in accounting rules for certain cost elements such as training. Provincial funding for PRESTO and UP Express operations is included in the $196M provincial subsidy estimated for this year.

Exhibit 4: Metrolinx 2014-15 Operating Budget by %



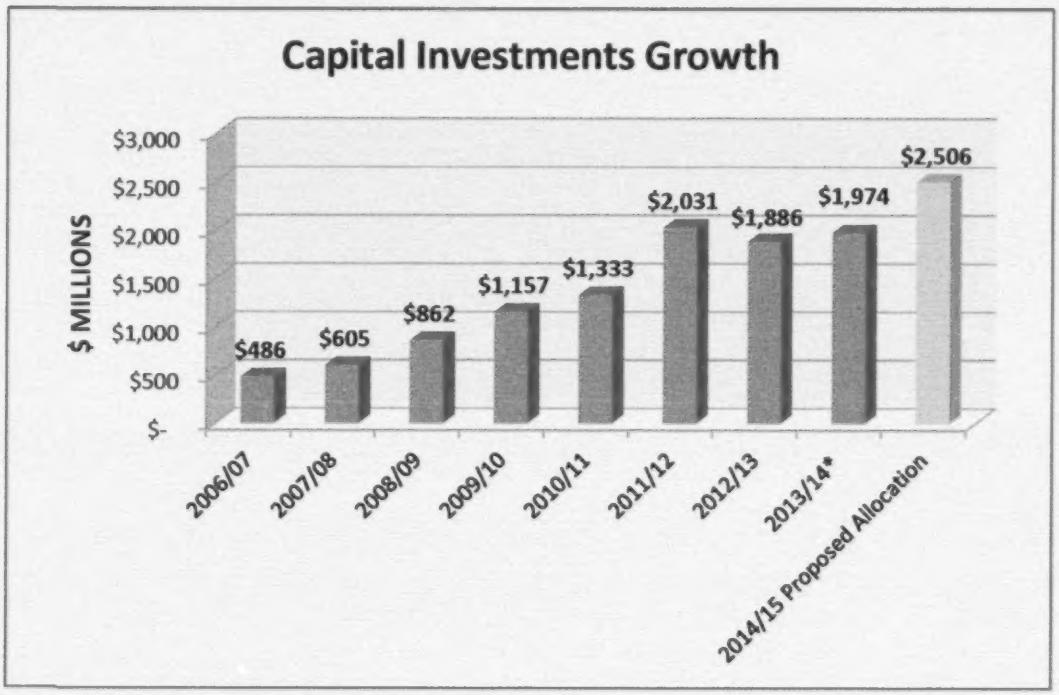
5.2 Capital Investments

The Metrolinx 2014-15 capital budget provides more than $2.5B in capital funding. Significant investments this fiscal include Rapid Transit Expansion projects in the City of Toronto and York region, construction of the Union Pearson Express service and the Georgetown South Corridor. Due to the accelerated pace of building transit infrastructure, capital investment spending has grown 500 percent from under $500M in 2006 to almost $2.5B in 2014-15. Annual capital expenditure of approximately $2.5 Billion is estimated to create over 50,000 person-years of direct, indirect and induced employment.

Metrolinx - Major Capital Projects with expected completion in 2014-15

- Georgetown South and UP Express
- East Gwillimbury Bus Maintenance Facility
- Wave 1 PRESTO on Toronto Transit Commission (TTC)
- Clarkson Parking Structure
- Hwy 404 & Davis Drive Park & Ride Lot
- Union Station West Concourse
- Mississauga Transitway – Hurontario to Cawthra

Exhibit 5: Metrolinx Capital Investment Growth



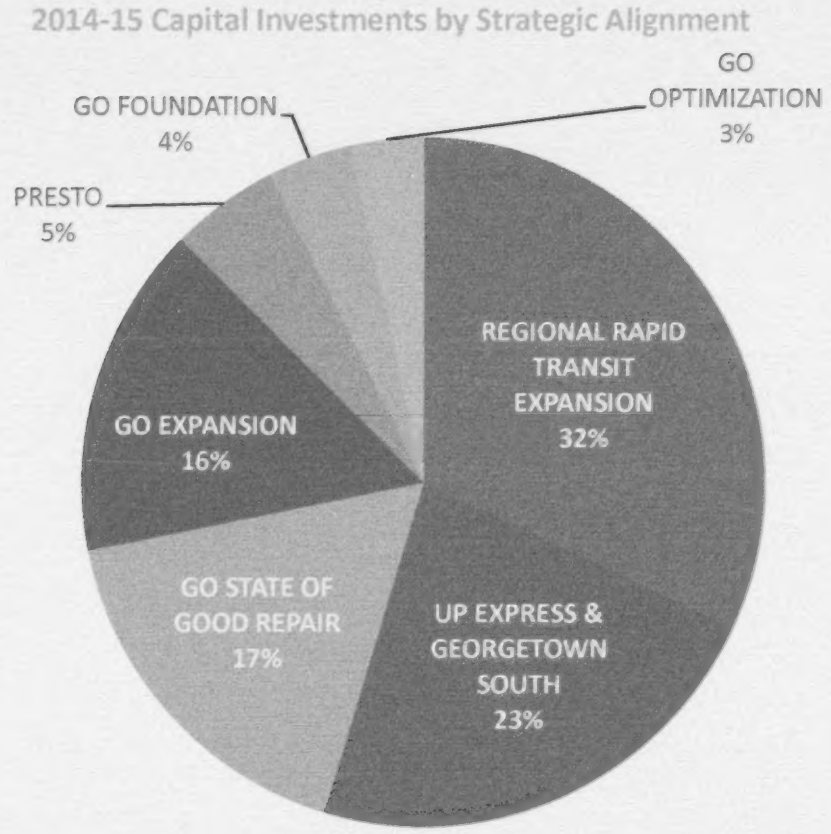
Note: 2013-14 Actual includes 70M Cost Recovery from City of Toronto for sunk costs
Note: The 2011-12 capital investments include a $350M one-time corridor purchase.

Exhibit 6: Metrolinx 2014-15 Capital Budget

Metrolinx 2014-15 Capital Budget	
CAPITAL INVESTMENTS BY STRATEGIC ALIGNMENT	Budget 2014-15
REGIONAL RAPID TRANSIT EXPANSION	**$788**
Toronto LRT	$603
VIVA BRT	$184
UP EXPRESS & GEORGETOWN SOUTH	**$573**
Georgetown South Corridor	$411
UP Express	$162
GO STATE OF GOOD REPAIR	**$423**
Bus Fleet	$46
Fleet Maintenance Facilities	$25
Passenger Facilities & Parking	$71
Rail Corridors	$44
Rail Fleet	$69
Technology	$53
Union Station	$114
GO EXPANSION	**$400**
Bus Corridor Infrastructure & Mississauga	$20
Fleet	$33
Fleet Maintenance Facilities	$19
Fleet Maintenance Facilities Expansion	$20
Passenger Facilities & Mobility Hubs	$32
Property	$147
Rail Corridor Infrastructure	$6
Two Way All Day Service	$37
West Toronto Grade Separation	$85
PRESTO	**$126**
System-wide Fare Collection	$126
GO FOUNDATION	**$98**
East Rail Maintenance Facility	$62
Union Station Revitalization	$36
GO OPTIMIZATION	**$97**
12-car Trains	$2
Bi-level Rail Cars	$36
Grade Separation	$20
Innovation	$2
Optimization	$6
Parking Expansion	$18
Passenger Facilities & Mobility Hubs	$1
Rail Corridor Improvements	$13
Grand Total	$2,506

Note: PRESTO funding includes approximately $34.8M from the Canada Strategic Infrastructure Fund.

Exhibit 7: Metrolinx 2014-15 Capital Budget by %


2014-15 Capital Investments by Strategic Alignment
GO OPTIMIZATION 3%
GO FOUNDATION 4%
PRESTO 5%
REGIONAL RAPID TRANSIT EXPANSION 32%
GO EXPANSION 16%
GO STATE OF GOOD REPAIR 17%
UP EXPRESS & GEORGETOWN SOUTH 23%

The Rapid Transit Expansion projects represent the largest portion of the 2014-15 capital program with approximately $788M related to ongoing West Tunnel construction, East Tunnel mobilization and construction and ongoing delivery of tunnel liners and tunnel boring machines for the Toronto LRT projects. Additionally, a section of the York VIVA BRT rapid way along Highway 7 east and Highway 404 to Warden is expected to open Fall 2014.

Over $560M is planned for in the Georgetown South corridor and UP Express projects. Construction completion is expected by spring 2015. In short, the majority of planned capital spend involves building the corridor infrastructure (grade separations, track and signals), procuring the UP Express trains and constructing the UP Express station and platform at Union Station.

To keep existing assets in a state of good repair, almost $423M is planned for infrastructure rehabilitation including:

- Rebuilding the Union Station Platform and Shed, upgrading the GO Train Control system and revitalizing the Union Station concourse.
- Restoring buildings, tunnels, elevators and platforms at several rail stations including Whitby, Scarborough, Bramalea, Burlington, Eglinton, Lisgar, Malton, Oshawa and Richmond Hill
- Constructing multi-level parking lots and rehabilitating existing parking lots at Bronte, Old Cummer, Mount Pleasant, Danforth, Clarkson and Burlington.
- Converting GO locomotives to Tier 4 emission standards and refurbishing bi-level rail and bus coaches as they approach the end of their useful lives.

The balance of the investments will be directed towards GO Transit Asset Expansion, PRESTO projects, GO Foundation and GO Optimization projects including:

- Acquiring properties to support expansion and optimization projects.
- Continuing design and construction of the East Rail Maintenance Facility.
- Building various grade separations, including the South Blair Grade Separation in Oshawa for the East Rail Maintenance Facility.
- Open parking structures in 2014 at Clarkson to accommodate increased demand.
- Continuing work on the Mississauga Transitway Bus Rapid transit, a joint project with the City of Mississauga to build an efficient, dedicated bus route across Mississauga.
- The rail and bus fleets continue to grow with additional double-deck buses, rail cars and locomotives being delivered.
- Work is underway for new bus garages in Hamilton and East Gwillimbury to support increased bus service levels.

5.3 Capital Asset Growth 2014-15

Exhibit 8: Metrolinx Capital Asset Growth

Metrolinx Capital Asset Growth

Capital Assets	**$Billions**
Net Book Value - March 31, 2014	9.74
Add: Capital Budget - 2014-15	2.51
Less: Estimated Amortization 2014-15	(0.36)
Estimated Net Book Value – March 31, 2015	**11.89**

5.4 Risk Assessment

In 2014-15, Metrolinx will continue to focus on defining and implementing its Corporate Risk Appetite and Risk Tolerance framework. A standard Capital Project Risk Management process will be rolled out to support all capital projects. There will also be an increased emphasis on using where applicable, quantitative analytics to assess risk.

In 2013-14, the Enterprise Risk Management (ERM) Office developed the Risk Appetite framework for determining acceptable risk levels for Metrolinx. To enhance the risk culture, the ERM Office established an internal ERM website with risk management guidelines and tools. Also, the risk management online training program was launched to the whole corporation with over 85% of eligible employees completed the training.

Exhibit 9: Key Risk Areas

Key Area	Description
Regional Leadership and Relevance of *The Big Move*	The credibility of the regional transportation plan is maintained by delivering the proposed projects as planned, this in turn achieves stakeholder support.
Sustained Funding	Metrolinx requires continued and adequate funding to fund current and future operations and capital programs.
Stakeholder Management and Governance	Corporate governance oversight with clearly defined stakeholder roles and accountabilities are required to support Metrolinx' objectives.
Management of Stakeholder Requirements	Clear communication and understanding of program objectives is needed to deliver stakeholder requirements on budget, scope and schedule.
PRESTO Implementation	Fare card system rollout across multiple transit providers must be well managed to achieve success within the committed schedule. Metrolinx needs to develop new service provider programs and an enhanced procurement strategy.
UP Express Infrastructure Readiness	Managing numerous interdependent projects across the organization and on the Georgetown South rail corridor are critical success factors for UP Express.
Rapid Transit Implementation	Effectively managing project stakeholders is key to the successful implementation of the program, including the use of AFP process.
Workforce	Effectively managing our workforce is critical to achieving business outcomes and optimizing productivity.
Customer Satisfaction	Reliable rail services and timely, high quality communication are success factors in maintaining Metrolinx' commitment to its passenger charter.

Key Area	Description
Corporate Privacy	Privacy exposure needs to be mitigated and privacy compliance judiciously addressed within business activities and projects.
Program Delivery	Project volume and complexity as well as stakeholder requirements necessitate effective project management to deliver projects on time, budget, scope and quality.
Corporate Safety and Security	The importance of passenger safety and security is expressed in Metrolinx' commitment to the Passenger Charter.

5.5 Performance Measures and Targets

In coming years, several First Wave infrastructure projects will become operational including UP Express, some RTI initiatives and PRESTO TTC. In preparation for this shift from capital spending to operational spending, Metrolinx will enhance performance measures and targets at the operating unit level. Strong consideration will be given to the selection of Key Performance measures that most accurately present the outcomes of each operating unit and of Metrolinx as an organization.

To meet its commitment to performance measurement, the organization has embarked on an initiative to develop a suite of public-facing Key Performance Indicators (KPIs) which will be taken to the Board of Directors in 2014. These public-facing KPIs will then be augmented by a set of Management KPIs to be utilized in business unit planning, decision making and reporting.

Metrolinx also developed policies to continuously improve our transparency and accountability such as the new Promotional Marketing and Sponsorship policy. Visibility to transit investment spending and capital project status is in greater demand by the public. Therefore, in addition to the new capital dashboard reporting introduced at the end of 2013-14, Metrolinx is evaluating other techniques to provide the public with timely updates on major project initiatives in 2014-15.

5.6 Financial Performance

Metrolinx closely monitors its financial performance using relevant financial ratios including: cost recovery, overhead ratio and cost per ride.

- Cost Recovery Ratio: This is the ratio of operating revenue to operating costs. For fiscal 2013-14, the cost recovery ratio (excluding PRESTO and UP Express) is 75.6 percent. For fiscal 2014-15, Metrolinx is budgeting a 78.8 percent operating cost recovery ratio (excluding PRESTO and UP Express). The improved cost recovery ratio reflects higher commuter revenue and a one-time proceed from sale of assets. Metrolinx's cost recovery ratio continues to compare favourably with those of other public transit authorities in North America. For example, Chicago METRA's cost recovery ratio is 41.9 percent.

- Overhead Ratio: The overhead ratio is *the percentage of overhead support costs to operating costs.* For fiscal 2013-14, support services account for 8.7 percent of the overall operating costs. For fiscal 2014-15, Metrolinx is expecting the overhead ratio to increase to 9.1 percent due to foundational investments in the corporate support functions.

- Cost per Ride: The cost per ride is the average operating cost required to move passengers between destinations as measured by the number of passenger boardings per one-way trip. For fiscal 2013-14, the cost per ride (excluding PRESTO and UP Express) was $8.40. For fiscal 2014-15, Metrolinx's budget reflects a cost per ride of approximately $8.66. The key drivers of cost per ride increases are rising fuel costs, customer service enhancements and maintaining service reliability.

- GO Transit Competitiveness: Travelling with GO Transit remains an economically preferred choice for commuters in the GTHA. Travelling with GO Transit costs approximately 48 percent of the total cost of fuel and parking if you are driving. Further, the average cost to drive is $0.37/km, whereas the cost for transit is $0.18/km (reflects fuel and parking only, in downtown Toronto). These statistics are based on the average trip length from the Fall 2011 rail cordon count program. This does not consider the additional vehicle maintenance and vehicle ownership costs that would result from the increase in vehicle mileage. GO Transit continues to offer a comfortable experience and cost competitive mode of travel for passengers.

Costing Model

A costing model is being developed to systematically allocate the cost of Metrolinx' shared corporate services to the benefitting Business Units and programs. This mechanism will provide a fully-costed view of the business segments, allowing planners and decision makers to clearly discern the financial impact of adding new operations and infrastructure. The first phase, expected to be completed in the fall, will support segmented reporting of financial results and will enable KPI calculation by business unit. In Phase II, business unit services will be further analyzed to determine cost metrics by transportation mode, corridor and trip.

5.7 Project Performance

Metrolinx continues its heightened investment in transit infrastructure projects in 2014-15 ($2.5B). In parallel, we are continuously improving our capital processes, controls and reporting to ensure that projects are delivered on time, on budget and within scope and quality. Specifically, new management dashboard reporting has been introduced in early 2014-15 to provide senior management with additional insight into our progress and performance. Additionally, Metrolinx is exploring new ways of publically communicating project progress, to demonstrate the transparency of our transit investment spending.

6.0 Focus on Customer Service

6.1 Customer Service

Metrolinx ranks customer service among its highest values and has codified this belief in the GO Transit Passenger Charter. Our unwavering commitment to exceeding customer expectations is demonstrated through a number of customer-focused initiatives. Operationally, GO continues to sustain the improvements that won it the coveted "Large Transit System of the Year" Award from the American Public Transportation Association in 2013. Improvements focus on adding train and bus service, improving on-time performance, and providing customer amenities such as vending machines, WiFi at all 65 rail stations, automated "next stop" bus announcements and a mobile-enabled GO website.

Exhibit 10: Metrolinx Customer Service Action Plan Highlights

2014-15 Customer Facing Initiatives	
Customer Experience Enhancement	a) Next Generation Ticket Vending Machines (TVMs) b) Accessibility for Ontarians with Disabilities Act (AODA) Transit Accessibility Plan c) PRESTO Self-Serve Loads d) GO Web Portal Update e) Safety and Security Emergency Plan Benchmarking f) Strategic Partnerships
Customer Analysis/Feedback	a) Contact Centre Metrics Evaluation b) Mobile Web Customer Research c) PRESTO Accessibility Survey d) PRESTO Market Profiling Research e) UP Express Brand Market Research f) GO Transit Station Travel Pages – Pan Am Games
Customer Communication	a) CCMS – Customer Communications Management System b) Social Media Strategy Implementation c) Phone System Call Flow Design d) Standardize Automated Announcements (with Voice Talent) e) On-Board Passenger Emergency Intercom System f) Facilities PA System Improvement
Employee Training	a) UP Express Frontline Customer Service Training Program b) I Am GO: Customer Service Training Roadmap

6.2 Service Performance

GO Transit utilizes several customer facing KPIs that are aligned with the GO Transit Passenger Charter. In 2013-14, GO met three out of its eight KPIs, narrowly missing the target on another four owing to the severe winter. An important challenge for GO is to continuously create additional rail seating capacity ahead of rapid ridership growth. Work is underway to improve on-time performance and to increase customer satisfaction with seat availability and customer communication.

Exhibit 11: Metrolinx Passenger Charter Report Card

Measure	Annual Target		2013-14	2012-13	2011-12
On Time					
We will run more than 94% of rush hour trains within five minutes of the scheduled time.	94%		93%	94%	95%
We will have less than 1% of our scheduled trips cancelled or delayed over 20 minutes.	1.0%	✓	0.8%	1.0%	0.7%
Safety					
We will increase year over year, the percentage of customers who are satisfied with GO Transit's safety as measured by our customer survey.	80%	✓	88%	83%	73%
Keeping you in the know					
We will increase year over year, the percentage of customers who are satisfied with GO Transit's communication as measured by our customer satisfaction survey.	77%		72%	73%	75%
Comfortable experience					
We will strive to have seats available for every passenger on 80% of weekday rush hour train trips.	80%		62%	65%	66%
We will increase year over year, the percentage of customers who are satisfied with the cleanliness of GO Transit managed stations as measured by our customer satisfaction survey.	82%	✓	82%	80%	81%
Helpfulness					
We will reduce the average time to address customer concerns to within 2 business days.	2 Business Days		2.8 Business Days	1.8 Business Days	2.9 Business Days
We will answer 80% of telephone calls within 20 seconds or less.	80%		79%	87%	83%

7.0 Joint Initiative Deliverables

Infrastructure Ontario (IO)

Guided by the Metrolinx-Infrastructure Ontario Master Agreement, IO continues to be an integral partner in several high priority Big Move initiatives: Toronto Light Rail Transit (LRT) Projects, GO Transit East Rail Maintenance and Storage Facility, and the Highway 7 VivaNext Bus Rapid Transit Project. The UP Express line into Pearson Airport, opening 2015, is a key success achieved through project oversight from Metrolinx and expertise in Alternative Financing and Procurement (AFP) from Infrastructure Ontario. By expanding its portfolio of AFP projects done in partnership with IO, Metrolinx aims to maximize "value for money" compared to traditional project delivery models.

Strategic Partners

Metrolinx is developing strategic partners with key industry sectors (e.g. financial services, information and technology, telecommunications, professional services, retail, and consumer electronics) to assist in the fulfilment of its mandate. In particular, UP Express' strategic partnerships will help deliver value for money, generate non-fare revenue to reduce the operating subsidy required from the government, drive new business opportunities and enhance the UP Express guest experience.

Municipal Partners

As regional transportation provider, GO Transit routes span many Ontario municipalities, giving rise to natural, mutually beneficial municipal partnerships. Areas of collaboration include road and land-use planning, environmental assessment and urban development. *The Big Move* is expanding these collaborative relationships, as are smaller, multi-jurisdictional projects and cost saving initiatives. Enabled by the PRESTO fare system, eight GTHA municipal operators currently partner with GO in the Fare Integration Program, providing savings and efficiencies to customers who traverse both GO and local systems on a single card. In 2014-15, PRESTO expansion to the TTC, safety initiatives involving installation of enhanced fencing and barriers, and a group procurement initiative to leverage economies of scale, will all benefit from strong municipal relationships.

Rail Partners (CN, CP, TTR, GEXR, VIA)

Although Metrolinx now owns most of GO Transit's railway corridors, services such as signaling, dispatch and communications are shared among GO's corridor partners, Canadian National, Canadian Pacific, Toronto Terminal Railways and Goderich and Exeter Railway. Additionally, GO collaborates with Via Rail and others who access Metrolinx owned railway corridors and other properties and share stations. For 2014-15, Metrolinx is developing a costing model to facilitate fair and equitable cost recovery from joint facility users.

Key Service Delivery Partners (Accenture, Bombardier, Ultramar, Pacific Northern Railworks - PNR)

Accenture is the Contractor responsible for successful implementation and ongoing maintenance of the PRESTO fare system. This long term partnership is governed by a November 2012 Agreement that outlines financial obligations, intellectual property rights and performance/service measures. Bombardier builds, maintains and operates the GO Transit rail fleet. Second to Bombardier in terms of total business is Ultramar, GO Transit's diesel fuel vendor, forecasted to supply 72 million litres at a cost of $74.6 million in 2014-15. Pacific Northern (PNR) maintains all 300 miles of Metrolinx owned track and signals.

8.0 Human Resources Profile

The Human Resources (HR) mission is to work as a strategic partner to optimize organizational effectiveness by converting strategic plans to actionable deliverables.

In this, the final year of the current Human Resources 5-Year Strategic Plan, the HR focus is as follows.

Human Resources Focus

- Embed the Metrolinx values and behaviours into the organizational culture
- Develop leadership capacity through York University's Schulich Leadership Programs
- Develop and implement an onboarding strategy for the 14/15 Workforce Plan
- Focus on Management Essentials as a component of enhancing our strong professional and leadership development programs
- Leverage technology through the 3 year roadmap to develop a robust Human Capital Management System
- Enhance Occupational Health and Safety Programs
- Increase the development and impact of Employee Survey Action plans
- Refresh the HR 5-Year Strategic Plan
- Deliver the first component of the Metrolinx diversity strategy
- Lead Collective Agreement negotiations with the Amalgamated Transit Union

The Metrolinx organization continues to experience significant growth and change as it pursues a number of ambitious goals and objectives. To meet its mandate, Metrolinx grew to a total of 2,884 employees in 2014-15 (a planned increase of 7% percent from the previous year). Based on a revised Five-Year Workforce Plan, Metrolinx plans to attract 300 additional employees to support the UP Express launch, PRESTO expansion, GO Transit service enhancements and Rapid Transit advancements.

Recent Employee Survey results show a continued high level of alignment between workforce values and the organization's stated values and strategic direction. Other statistical measurements show that employee turnover and absenteeism remained stable, indicating a satisfied workforce and effective onboarding strategies.

Strategic values were reviewed through a comprehensive process involving staff input. The result was an updated Metrolinx value statement that reflects current thinking. In 2014, HR will further integrate its new values into the organizational culture and talent programs.

Metrolinx - Our Values

Serve with Passion - We put our hearts and minds into service excellence for our customers and each other
Think Forward - We embrace change and create new ideas
Play as a team - We work together in a spirit of trust and respect

HR and Customer Service partnered to implement a key piece of foundational work, The Customer Service Training roadmap, which aims to improve the customer service culture through training. Metrolinx is currently in phase three *(Go Gets Me)* of the five-phase Customer Service Training roadmap.

In 2014, Metrolinx added to its impressive list of national and international awards, winning two more notable distinctions: the Greater Toronto's Top Employer and Canada's Top Employers for Young People. These annual awards presented by Mediacorp, recognize best-in-class Canadian organizations that build a high performing culture through workplace innovations and employee engagement. Such awards are another measure of our progress towards a culture of innovation and corporate social responsibility.

9.0 Information & Information Technology Profile

The Information & Information Technology Department is responsible for the Metrolinx Enterprise Technology (hardware and software), that services the information needs of all operating divisions. I&IT also builds partnerships with business units to deliver cost-effective technology based solutions that help business units succeed.

I&IT delivers projects using standard industry methodology based on 5 approval gates. This approach helps to ensure project success by aligning project outcomes with overall business goals. All I&IT services are managed and operated internally, providing direct support to end users and business units. Primary focal areas for I&IT are: Customer Service, Project Delivery and High Performance IT Infrastructure.

I&IT Organizational Focus

- UP Express: 12 projects to support the operation and enhance customer service
- Enterprise Resource Planning upgrade: Migrate HR, Procurement and Corporate Reporting to Oracle
- Real Time Transit Info System: Implement Trip Planner system for Pan/Para Pan Am Games
- IT Field Services Expansion: Extend IT Field Services to support PRESTO devices

2014-15 I&IT initiatives fall into three categories:

Restructuring the I&IT Organization -Following the hiring of the CIO in late 2013, the remaining steps to re-organize the I&IT department will complete in 2014. Additional staffing needs have been identified and budgeted in order to provide: strategic planning, multi-year IT project planning, business unit support and information management support for Business Intelligence (BI) and corporate reporting initiatives.

Project Delivery - The I&IT project portfolio is at its largest size –consisting of 30 active projects and 28 in the intake pipeline. Growth is driven by service demands and establishment

of the I&IT Project Management Office (PMO) in 2013 which consolidated projects and resources.

Technical Infrastructure Improvements - IT infrastructure requires on-going maintenance, upgrade and replacement to keep pace with growing user requirements and technology developments. In 2014 there will be several substantial upgrades: migration of the Metrolinx Data Center to a new Provincial facility in Guelph, implementation of a Disaster Recovery plan and replacement of the corporate phone system.

10.0 Communications Plan

The role of the Metrolinx Strategic Communications group is to collaborate and advise across the organization, ensuring that all communications initiatives are consistent and aligned with the 2014-15 Business Plan objectives, while working to deliver a cohesive brand across the GTHA.

During 2014-15, Metrolinx will continue to focus its communications on effectively showcasing the organization as a leader in delivering regional transit and transportation solutions. Communications activities will focus on two strategic directions: 1) to strengthen the position of Metrolinx as a thought leader and informed voice for an effective regional transportation system; and 2) to increase understanding, awareness and support among our key audiences about the importance of the Regional Transportation Plan and the building and delivery of transit projects across the region. Communications will emphasize the progress being made on projects within *The Big Move*.

Communications will continue to promote PRESTO as the convenient, electronic and reloadable fare card in the GTHA and Ottawa. Special focus will be on the integration with the TTC, Canada's largest transit agency. Public and customer communications to support the rollout on TTC will be a prime focus for Metrolinx this year.

Leading up to the launch of UP Express in spring 2015, Metrolinx will initiate a fully integrated program to increase awareness of the new service and to drive ridership. The plan will focus on the major construction, service milestones such as the train arrivals, completion of Pearson and Union station terminals, all building momentum to the opening of the service.

Another key objective will be to support the growth and expansion of GO Transit as it extends its service offerings, develops new stations, re-develops existing ones and expands its infrastructure, including maintenance facilities, rail corridors and fleet. Support will be delivered through the development of communications plans and campaigns to aid public awareness and support for GO Transit and Metrolinx objectives.

Metrolinx will have a greater presence along Eglinton Avenue between Black Creek Drive and Don Mills, as work continues on the underground section of the future Eglinton Crosstown light rail transit line. An additional community liaison office at Bayview will help better engage with the local community and provide better local presence for the project.

There will be in-service milestones for the VivaNext Rapidway BRT segments as they open, providing more opportunities to reinforce Metrolinx's progress in delivering transit solutions.

With progress on the Toronto Transit Projects, communications will focus on informing the public and stakeholders about how transit is built and preparing for the next phase of the construction for Sheppard and Finch LRT.

Metrolinx's community relations teams are on the ground where we have major projects to facilitate project delivery, build trust for Metrolinx and its brand, and engage neighborhoods in the city-building component of our work. This year marks the final year of the Georgetown South Project and the focus will continue to be on supporting and preparing the community for the final year of construction through various activities. The year ahead will focus on celebrating project milestones and thanking the community for their patience, with messaging focused on transitioning the community and stakeholders from construction impacts to transit benefits, beginning in 2015, such as new UP Express service and more GO service.

The Metrolinx Stakeholder Relations team will continue to support comprehensive stakeholder engagement processes for major public initiatives, such as Yonge Relief Network Study, *The Big Move* legislated review, UP Express and GO expansion.

The team continues to build support amongst stakeholders for transit investment, as well as serving and supporting stakeholders across the region that have an interest in our activities.

A key part of our business plan is to keep the public informed. It's in the public interest to know that there is progress in addressing the problem of congestion. Through various public-facing channels, including social media, project hoarding and other marketing opportunities, we will continue to connect the dots –highlighting the ongoing construction around the region and what transit and transportation projects are underway.

Appendix A: Key Assumptions

Fuel Price

For GO Transit operations, diesel fuel is a crucial input. Because it is a petroleum based commodity, diesel prices fluctuate with oil's supply and demand forces. This volatility often falls within a normal range but there can be large moves in one direction. Metrolinx engages in some hedging to offset rising fuel prices and provide stable fuel price assumptions for annual planning. In actuality, fuel price risk, while hedgeable, cannot be entirely predicted or eliminated. Based on the 2014-15 budgeted volume, rising unit price for diesel could lead to a potential budget shortfall of 3 to 8 million dollars or more depending on the percentage increase.

Exhibit 12: Metrolinx Fuel Price Volatility

GO Transit Fuel Budget - Impact of Unit Price change

	Unit Price/L ($)	Budgeted Volume (L)	Total Budget ($M)	Potential Budget Shortfall ($M)		
				5% Unit Price Increase	10% Unit Price Increase	15% Unit Price Increase
Rail	0.9911	26.547	26.31	-$1.32	-$2.63	-$3.95
Rail (Hedged)	0.9606	19.500	18.73	-	-	-
Bus	1.1292	26.218	29.61	-$1.48	-$2.96	-$4.44
		72.2650	***$74.65***	***-$3***	***-$6***	***-$8***

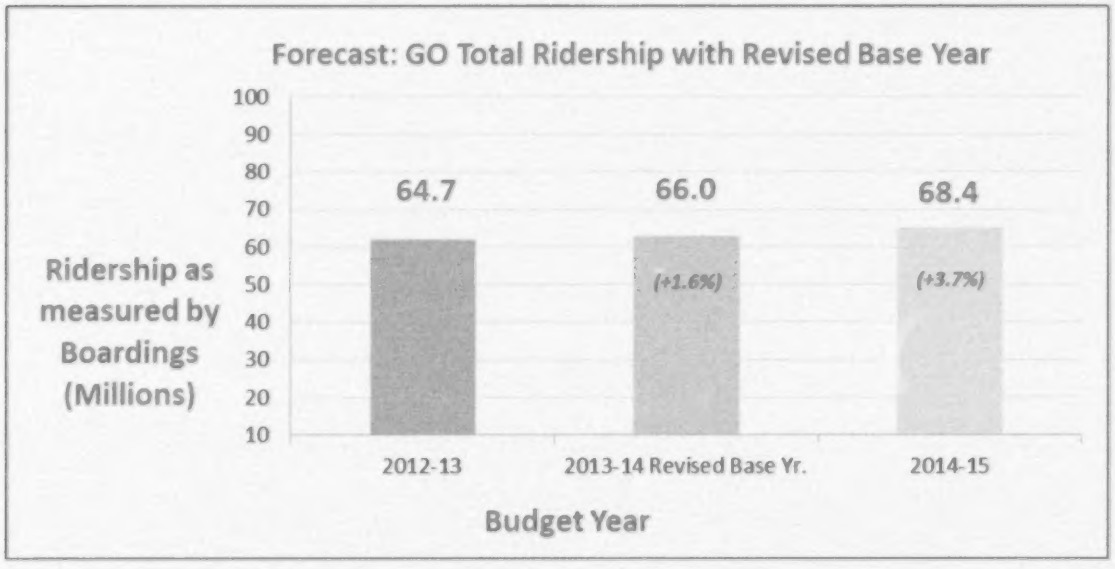
GO Transit Fuel Budget - Fuel Price Sensitivity

		Every swing of 1¢ causes a change in fuel expenditure of $723K				
		Unit Price/L ($)	Budgeted Volume (Million L)	Total Budget ($M)	Orig Budget ($M)	$Change (000)
Rail		1.0011	26.547	$26.58	$26.31	$265.470
Rail (Hedged)		0.9706	19.500	$18.93	$18.73	$195.000
Bus		1.1392	26.218	$29.87	$29.61	$262.180
Total Change			***72.2650***	***$75.37***	***$74.65***	***$722.650***

Ridership Increase

Consumer behaviour, specifically the choice to take either GO Transit or the car, is closely tied to GO's quality of service, convenience and value. As such, real organic growth in ridership is driven by expanding customer facing initiatives and introducing peak and off-peak services such as the 30 minute off-peak service on the Lakeshore lines, more peak hour service on the Stouffville and Lakeshore East lines, and adding capacity by moving from 10 to 12 car trains. External factors such as development intensity near corridors and growth in population and jobs also play important roles in increasing ridership. For 2014-15, total ridership growth is forecasted at the regular 2% annual level plus service related growth of 1.7%, for a total forecasted ridership increase of 3.7% over the 2013-14 revised base year. Ridership is forecasted as Boardings minus Transfers across both train and bus routes.

Exhibit 13: Metrolinx Ridership Growth



Fare Increase

GO Transit implemented a fare increase on February 01, 2014. The minimum fare is now $5.20. The impact of this increase will be lesser for the majority of GO customers who use PRESTO as there will be an increase in loyalty discounts. New fare revenue will help cover existing operating costs and fund the necessary service improvements to grow ridership, including new parking spaces, improved communications, well maintained facilities, improved service reliability (95% on-time), ongoing equipment maintenance, and increased capacity on trains and buses. The increase for February 01, 2014 is based upon:

- 35 cent increase on current fares between $4.85 and $6.15
- 45 cent increase on current fares between $6.16 and $7.80
- 55 cent increase on fares over $7.80

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
I. Provide regional leadership to enhance mobility options, guided by the Big Move, stimulating and supporting the activities of partners across the region.		
1. Maintain the relevance of *The Big Move* through updates and related planning, to guide investment and decision-making.	a) Issue The Big Move Progress Report and the Monitoring Handbook.	✓
	b) Develop a work plan for the legislated review of The Big Move.	✓
	c) Complete a first draft of the Relief Line Study.	Draft plan for Spring 2015
	d) Substantially complete the Pearson Airport Area Transportation Study.	Targeted for Fall 2015
2. Advance **integrated transit fares and services** across the GTHA, optimizing convenient, seamless connections to improve customer experience.	a) Complete a GTHA regional Service Integration Plan with measureable deliverables.	A work plan for Fare and Service Integration has been completed and is in progress.
	b) Initiate a GTHA Regional Fare Integration Plan identifying short and long term strategies, with measureable deliverables.	Regional fare integration has been combined with service as one overall Fare and Service Integration work plan
3. Champion *The Big Move* strategies, **collaborating** with stakeholders, and implementing selected regional initiatives to advance transportation objectives.	a) Complete the Urban Freight Data Framework.	✓
	b) Continue to work with key stakeholders in the development of policy and planning efforts including leading the inter-jurisdictional roundtables of the Metrolinx Planning Leaders Forum and the Metrolinx Transit Leaders Forum.	✓
	c) Undertake public consultation and stakeholder engagement during Environmental Assessments (EAs) for Stouffville double tracking.	✓
	a) Begin implementing updated Smart Commute strategic directions and new Key Performance Indictors (KPI).	✓
	d) Complete Strategy Roadmap for Ontario wide coordination for healthier communities through active and sustainable school travel (in-year deliverable).	✓
	e) Continue to grow the quality of the Transit Procurement Initiative value through completion of 8, 12 and 18-metre bus procurements	12- and 18-m bus procurements issued in February 2014, award completed June 2014. 8-m bus procurement to be issued in August 2014, anticipated award October 2014.

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	f) Initiate Strategic Advisory Committee with external stakeholders and develop cost savings methodologies and KPIs to track TPI (in-year deliverable).	Ongoing
	g) In consultation with an advisory committee of municipal partners, advance preparation of standard regional data for a Regional Transit Traveler Information System.	✓
	h) Develop an action plan to enhance cross-boundary travel using specialized transit.	✓
4. Fully implement **PRESTO** in the GTHA and Ottawa.	a) Investigate and develop open payment functionality and multi-vendor support to be included into the PRESTO Next Generation (PNG) platform.	Service Strategy and Business Model for Open Payments, and oversight of Wave 2 Device RFP in 2014
	b) Work with OC Transpo to execute on the staged rollout plan, as presented to the Ottawa Transit Commission, for PRESTO card distribution to the general public beginning in April 2013	✓
	c) Complete transition of the GTHA transit agencies to the PNG platform by summer 2013.	✓
	d) Begin design and complete development of enhancements necessary for TTC PRESTO implementation on TTC's new streetcars by spring 2014.	✓
	e) Complete business requirements, and begin design and development of the UP Express PRESTO implementation.	✓
II. Pursue stable funding to support the integrated mobility improvements outlined in the Big Move.		
5. Support the implementation of the **Investment Strategy** investment tools, once approved by the Province of Ontario.	a) Submit the Investment Strategy to the government and heads of council on or before June 1, 2013.	✓
	b) Collaborate with Translink and AMT to pursue federal funding for transit.	✓
6. Strive for industry **leadership in cost management and revenue** generation from fares and other sources.	a) Identify and implement non-fare revenue opportunities in areas such as advertising, strategic partnerships and vending.	✓
	b) Complete tenant fit-out and restacking of 20 Bay Street in accordance with new Corporate Office Standards.	Projected completion expected mid to late fiscal 2015

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
III. Implement Priority Regional Transit Infrastructure Projects in The Big Move as world class city building projects		
7. Deliver **GO Transit infrastructure** required to continue progress toward a comprehensive **all-day regional transit service.**	a) Revitalize and provide increased capacity at Union Station by completing the new train shed atrium to enhance the platform environment by 2014.	✓
	b) Open parking structures at Clarkson, Ajax, Pickering and Erindale GO Stations.	Ajax, Erindale, Pickering parking structures open. Clarkson expected open later in 2014.
	c) Complete required realty transactions to support GO Transit network growth.	Ongoing, Subject to further property identification
	d) Deliver infrastructure to support the expanded GO Bus Service linking suburban activities including: bus priority facilities on the Don Valley Parkway, additional GO Park & Ride lots, increasing access to GO Bus services; and East Gwillimbury Bus Facility and bring it into service by 2014.	Don valley Bus By Pass Lane is on hold. East Gwillimbury Bus Facility is expected to come into service in summer 2014.
	e) Complete EAs for Stouffville expansion and James Street North Addendum and start the EA processes necessary for forthcoming proposed infrastructure improvements.	Stouffville EA expected to be complete Q2 2014/15 as a result of delays due decisions around the Scarborough LRT/Subway project. James Street North EA addendum will not be completed, as alternatives to the layover of trains at this location have been developed.
8. Complete UP Express construction on time and on budget.	a) Complete 95 percent of all property acquisitions required for the Georgetown South Corridor.	✓
	b) Begin construction of vehicle maintenance facility and be completed by early 2014.	Modifications to progressive maintenance Bays 3 & 4 at Willowbrook have begun and are expected to be completed late summer 2014
	c) Complete construction of Kitchener railway corridors and spur construction by end of 2014.	On target
	d) Receive new diesel multiple unit vehicles in early 2014 and begin testing and commissioning.	Pilot DMU scheduled to arrive in Summer 2014.
	e) Complete construction on modifications to Weston and Bloor GO Stations to accommodate UP Express guests.	Station construction expected to be complete December 2014.

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	f) Tender the construction of the UP Express station at Union. Complete construction by spring 2015.	Construction began in fall 2013 - substantial completion is expected by late December 2014
9. Advance construction of priority **Rapid Transit projects** consistent with *The Big Move*.	a) Close of the AFP RFQ for the Eglinton Crosstown LRT and Scarborough LRT by May 2013 and Release of the AFP RFP by fall 2013.	External decision to replace Scarborough LRT project with a subway project. As a result, RFP for Eglinton Crosstown LRT was released as a standalone project in Dec. 2013.
	b) Commencement of tunneling on the west end of the Eglinton Crosstown LRT in spring 2013.	✓
	c) Procurement to take place for the Yonge Street Section of the vivaNext Rapidway from Highway 7 to Major Mackenzie in 2013. The RFQ closed in March 2013; the RFP is targeting issuance in Summary 2013.	✓
	d) Release of the east tunnel contract for the Eglinton Crosstown LRT in fall 2013.	✓
	e) Close the AFP RFP for the Scarborough/Sheppard MSF by May 2013 and reach financial close by late 2013.	RFP for Eglinton LRT (Eglinton only). released in Dec 2013. RFP closed May 14, 2013
	f) Agincourt Grade Separation landscaping complete by spring 2013.	✓
	g) First section of vivaNext rapidway along Highway 7 East from Bayview to Highway 404 expected to open in summer 2013.	✓
	h) Finalize Operating Agreement between Metrolinx and Region of York for the Viva Rapidways by summer 2013.	✓
	i) Required land acquisition and Right-of-Way agreements for the construction of the Toronto LRT projects and YRT vivaNext Rapidways.	✓
	j) Complete, in partnership with the Region of York, York Viva rapidways on Highway 7 between Yonge St and Warden Ave, to be in service by 2014.	✓
	k) Advanced work on preliminary engineering for Hurontario Main LRT with Brampton and Mississauga, including beginning TPAP with Metrolinx as co-proponent (in-year deliverable).	✓
10. Champion coordination of **land use and transportation** to increase mobility choices and leverage public transportation investments.	a) Port Credit: Prepare business case analysis and implementation for GO transit parking areas by late 2013.	✓

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	b) Oakville: Update business case analysis and implementation for GO transit parking areas.	✓
	c) Establish a framework to explore intensification and development opportunities with interested adjacent property owners at Metrolinx-owned properties along the Eglinton Scarborough Crosstown LRT.	✓
	d) Continue to promote the planning and implementation of mobility hubs and station areas through:	✓
	e) Promoting municipal application of the Mobility Hub Guidelines in their planning activities and investments.	
	f) Completing plans to guide development of designated mobility hubs.	
IV. Operate Metrolinx Services, setting the regional standard in customer service excellence.		
11. Expand GO Transit service to accommodate growing ridership, retaining its customer focus and progressing its transformation into a comprehensive all-day regional transit service.	a) Introduce off-peak service every 30 minutes on the Lakeshore corridors.	✓
	b) Add incremental peak hour rail services in Stouffville and Lakeshore East corridors.	✓
	c) Add incremental peak hour rail capacity with 12 car train expansions across the GO rail network.	✓
	d) Rationalize GO Bus services in Durham Region to shift local Hwy. 2 service to Durham Region Transit and enhance regional bus connections to Toronto.	✓
	e) Complete required CN land acquisition for the Whitby East Rail Maintenance Facility South Blair Grade Separation Project.	Approx. 90 % complete. Expected to be completed in 2014-15
	f) Develop a Service Status Communication Strategy for GO Transit. This channel strategy includes the development of a framework for GO Train and Bus services that includes a map of the communication channels, information types and service levels. It also includes an E-Signage Strategy. Develop and deploy next stop automated audio/visual announcements on-board all buses.	Strategy completed.CAD/AVL piloted on Bus Feb. 2014, launch on track for 2015.E-signage strategy underway, to be completed Q2 2014
	g) Interactive Voice Response & Call Flow Design - Segment Switchboard Calls & Call Flow Redesign; On Hold Messaging / Music on Hold, Call Quality.	Procurement complete. The first phase is planned to be launched Sep 2014.

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	h) Develop implementation strategy to convert remaining non-accessible bus routes and stops.	✓
	i) Complete the development of a refreshed online public timetable.	✓
	j) Complete GO Rail Passenger Study (2013) - Biannual Rail Study that looks at route start and end points.	✓
	k) Complete GO Customer Satisfaction Study for winter 2013.	✓
	l) GO Mobile Phase 2 - Implement Phase 2 of GO Mobile with improvements based on customer feedback.	Design is complete. Launch expected summer 2014.
	m) Assess feedback of the Barrie Quiet Zone Pilot and determine next steps.	✓
	n) Implement Mobile Websites for the GO transit public website.	The user experience has been completed and the mobile website will be available in Q2 of 2014.
	o) Development of GO Customer Experience Strategy, including touch-point mapping and retail strategy	Customer experience mapping was completed on Oct 2013. The Retail strategy is underway and expected to be completed by the end of May 2014.
	p) Develop a Contact Centre Strategy & Roadmap.	✓
	q) Create and implement a business model which will enable greater access of Metrolinx APIs by the development community for application creation to complement current communications vehicles.	Initiative has received SMT approval and go live is expected by the end of 2015.
12. Launch UP Express to link Union Station and Toronto Pearson airport, delivering a differentiated customer experience.	a) Develop a Service Status Communication Strategy for UP Express. This channel strategy includes the development of a communication channel map including information types and service levels.	✓

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	b) Develop a robust technology program, including a simple and intuitive website and mobile app, and fare collection system.	All technology work streams are on track including procurement of an e-ticketing vendor for online tickets. Continued progress on the development of the PRESTO for UP Express. Development of the transactional website for UP is underway.
	c) Develop an operations plan, including workforce and frontline change management plans that leverages Metrolinx capabilities and third party agreements to deliver a highly reliable service with attention to excellent customer service.	In progress. Operations plans continued to be developed working with our leveraged partners in GO Transit (rail services, rail operations, safety & security, station services) along with the GTAA
	d) Seek strategic partnerships that strongly align with the UP Express brand and help deliver value as part of a differentiated guest experience.	In progress. Currently in discussions with potential strategic partners for UP Express. Interest is evident across key industries including financial services, technology, retail, telecommunications, professional services and the hospitality sector.
	e) Continue to raise awareness and ridership of the UP Express.	Finalized and begun executing a communication and stakeholder relations plan along with a robust marketing program designed to drive awareness and trail of UP Express.
13. Complete **rapid transit operating agreements** that are financially sustainable and emphasize excellence in **customer service** delivery.	a) Finalize Operating Agreement between Metrolinx and Region of York for the Viva Rapidways by summer 2013.	✓
	b) Continue discussions with TTC to further define operating agreement.	✓
14. Enrich the **PRESTO** customer fare payment experience with **enhanced customer convenience** and increased payment flexibility.	a) Investigate collaborative opportunities with Transit Agencies and other 3rd parties and develop action plans to promote card adoption, including retail channels and pre-loaded card options.	Working with Hamilton Street Railway on a pre-loaded card pilot, including retail channels, delivered in 2014-15.

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	b) Pilot a mobile application to permit convenient reloading of PRESTO cards.	Work completion on mobile top-up pilot app deferred to 2014/15.
	c) Implement use of credit/debit cards on new TTC streetcars.	Street car equipment enabling credit/debit payment (Single Ride Vending Machine) has design complete, is being manufactured and will be tested for revenue service November 2014.
	d) Develop a business model for Para-transit services, in partnership with transit agencies, and begin to implement system changes to integrate PRESTO with Para-transit services.	PARA Service Strategy in 2014; pilot planned.
	e) Continue to develop and implement open payment and technology based customer solutions.	✓
	f) Continue improvement to website to enhance customer service.	Implemented first round of customer service enhancements December 2013.
	g) Heighten emphasis on customer engagement and satisfaction.	Customer experience strategy. Base lining experience and creating future state journey for customer.
15. Support the Pan/ParaPan Am games organizers in providing optimal mobility to games attendees and GTHA residents throughout the games period.	a) Lead the coordination of corporate activities around the preparations for the 2015 PanAm/ParaPan Games. V.	✓
V. Ensure that Metrolinx remains a trusted organization with the capacity and flexibility to deliver The Big Move.		
16. Develop Metrolinx as an organization of engaged employees, with the capacity, expertise and design to meet evolving business standards and anticipate future needs.	a) Complete the fit-up of the office and the relocation of approximately 300 employees from 20 Bay Street to Union Station by fall 2013.	✓
	b) Pursue being an employer of choice that creates an inclusive, respectful and diverse workforce: • Develop and implement action plans to respond to the Employee Opinion survey.	✓
	• Develop talent by continuing the Metrolinx Leads Leadership Development Program.	✓
	• Complete a Compensation and Benefits review in 2013 in alignment with provincial legislation and start a Job Description Improvement Project that will be completed by the end of 2014.	✓

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	• Fully implement a formal Employee Recognition program, encouraging and rewarding the application of our values and competencies in the workplace.	✓
	• Working with the Senior Management Team (SMT) to continue to produce culture change and enhance Senior Leadership practices to align with the Metrolinx strategy, leadership development goals and the Employee Opinion Survey results and action plans.	✓
	• Transition the annual Employee Opinion Survey to an annual program, where Business Units use the results and Action Plans to guide strategic planning and evaluate results.	✓
	c) Leverage information and technology to support corporate activities and programs:	✓
	• Establish the CIO's office.	✓
	• Update the corporate Information and Information Technology Strategy by 2013; plan and execute its implementation.	✓
	• Develop a strategy for the Open Data Initiative, to address how the organization can share Metrolinx data, including implementing a pilot to help inform the final strategy.	Business case under development. Initiative anticipated in place mid 2014-15.
	• Develop a robust HR Management System.	Deloitte completed review of HRMS and provided recommendations; a 3 year project initiation plan has been developed to deliver the project.
	d) Develop Executive Sponsorship and policies for broad sustainability and green initiatives.	✓
	e) Complete an energy management plan and cost the implementation.	✓
	f) Create replicable processes for Metrolinx Innovation Think Tanks (MITTs) and hold two events.	
	g) Develop a corporate strategic communications plan.	✓
	h) Advance the Design Excellence Program though:	
	• Expanded and improved design review process.	✓
	• Integration of design excellence into corporate procurement and project evaluation, in particular with IO projects.	Internal and external consultation complete

Five-Year Strategy Objectives	2013-2014 Business Plan Deliverables	Comment
	• Establishment of design excellence Vendor of Record program.	VOR for Landscape and Architecture to market early summer 2014
	• Offer internal Design Excellence training.	
	• Develop and implement organization-wide key performance indicators (KPIs) with associated dashboards to assist with monitoring performance on an ongoing basis by the end of the fiscal year.	Public facing KPIS along with targets and supporting Management KPIs are expected to go to the Board by the end of 2014.
17. Demonstrate that Metrolinx provides excellent **value for money** through **performance monitoring** and periodic efficiency reviews.	a) Make significant progress in further developing and consolidating evaluation processes with business planning, to make investment evaluation more robust and integrated with planning and decision making.	✓
18. Establish trust as the regional transportation authority, modeling integrity, **transparency and accountability**.	a) Develop and seek approval of a work plan, consult with MTO/Stakeholders and make significant progress towards developing a draft investment evaluation guidance document, building on existing frameworks.	✓
	b) Deliver regular UP Express forecasting updates as specified by the Auditor General.	✓
	c) Early progress with respect to the Investment Strategy, if implemented:	
	• Establish robust and transparent public reporting on the delivery of projects, program budgets and schedules, the rationale for any changes, and the specific results of the individual projects and program as a whole.	✓
	• Work with transit authorities in the region to build a common approach to reporting on performance.	✓
	• Engage communities on progress reporting when delivering projects.	✓
	• Continue to engage and inform communities through our community relations team for the Georgetown South and Toronto Transit Projects.	✓
	• Work closely with key stakeholders to communicate about our current and future progress.	✓